

DECLARATION  
AND  
COVENANTS, CONDITIONS,  
RESTRICTIONS AND RESERVATIONS  
FOR

THE VILLAGE AT CORDATA, NORTHSIDE

A Condominium

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DECLARATION  
AND  
COVENANTS, CONDITIONS, RESTRICTIONS AND RESERVATIONS  
FOR  
THE VILLAGE AT CORDATA, NORTHSIDE

A Condominium

Pursuant to the Act defined in Section 1.9.1 and for the purpose of submitting the Property hereinafter described (including the Land described in Schedule A) to the provisions of said Act, the undersigned, being sole owner(s), lessees or possessors of said Property, make the following Declaration. By acceptance of a conveyance, contract for sale, lease, rental agreement, or any form of security agreement or instrument, or any privileges of use or enjoyment, respecting the Property or any Unit in the horizontal property regime created by this Declaration, it is agreed that this Declaration, together with the Survey Map and Plans referred to herein, states covenants, conditions, restrictions, and reservations effecting a common plan for the Condominium development mutually beneficial to all of the described Units, and that the covenants, conditions, restrictions, reservations and plan are binding upon the entire property and upon each such Unit as a parcel of realty, and upon its owners or possessors, and their heirs, personal representatives, successors and assigns, through all successive transfers of all or part of the Property or any security interests therein, without requirement of further specific reference or inclusion in deeds, contracts or security instruments, and regardless of any subsequent forfeiture, foreclosures, or sales of Units under security instruments.

ARTICLE I

INTERPRETATION

1.1 Liberal Construction

The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development and operation of this Condominium under the provisions of Washington law. It is intended and covenants also that, insofar as it affects this Declaration and Condominium, the provisions of the Act under which this Declaration is operative, shall be liberally construed to effectuate the intent of this Declaration insofar as reasonably possible.

1.2 Consistent with Act

The terms such as, but not limited to, "unit," "unit owner," "association of unit owners," "building," "common elements and facilities," "common expenses," "land," "limited common elements,"



and "property," used herein are intended to have the same meaning given in the Act unless the context clearly requires otherwise or to so define the terms would produce an illegal or improper result.

### 1.3 Covenant Running with Land

It is intended that this Declaration shall be operative as a set of covenants running with the land, or equitable servitudes, binding on Declarant, its successors and assigns, all subsequent Owners of the Property, together with their grantees, successors, heirs, executors, Property, together with their grantees, successors, heirs, executors, administrators, devisees or assigns, supplementing and interpreting the Act, and operating independently of the Act should the Act be, in any respect, inapplicable.

### 1.4 Unit and Building Boundary

In interpreting the Survey Map and Plans, the existing physical boundaries of the Buildings and each unit as constructed or reconstructed shall be conclusively presumed to be its boundaries.

### 1.5 Percentage of Mortgagees

For purposes of determining the percentage of first Mortgagees approving a proposed decision or course of action in cases where a Mortgagee holds first Mortgages on more than one Unit, such Mortgagee shall be deemed a separate Mortgagee for each such first Mortgage so held.

### 1.6 Declarant is Original Owner

Declarant is the original Owner of all Units and Property and will continue to be deemed the Owner thereof except as conveyance or documents changing such ownership regarding specifically described units are filed of record.

### 1.7 Captions and Schedules

Captions given to the various Articles and Sections herein are for convenience only and are not intended to modify or affect the meaning of any of the substantive provisions hereof. The various schedules referred to herein and attached hereto shall be deemed incorporated herein by reference as though fully set forth where such reference is made.

### 1.8 Inflationary Increase in Dollar Limits

The dollar amounts specified in Articles 10, 13, 14 and 18 may, in the discretion of the Board, be increased proportionately by the increase in the consumer price index for the City of Seattle, Washington for all Urban Consumers, prepared by the United

States Department of Labor for the base period, November 1, 1990 to adjust for any deflation in the value of the dollar.

## 1.9 Definitions

1.9.1 "The Act" shall mean the Washington Condominium Act, Laws of 1989, Chapter 43 (RCW Chapter 64.34) as amended.

1.9.2 "Unit" means a physical portion of the condominium designated for separate ownership, the boundaries of which are described pursuant to RCW 64.34.216(1)(d) and Section 1.9.26 herein. Units may sometimes be referred to herein as "apartments" and the terms have identical meaning.

1.9.3 "Association" or "unit owners association" means the unit owners' association organized under RCW 64.34.300.

1.9.4 "Unit Owner" or "Owner" means a declarant or other person who owns a unit or leases a unit in a leasehold condominium under a lease that expires simultaneously with any lease, the expiration or termination of which will remove the unit from the condominium, but does not include a person who has an interest in a unit solely as security for an obligation. "Unit Owner" means the vendee, not the vendor, or a unit under a real estate contract.

1.9.5 "Board" means the board of directors of the Association provided for in Section 10.1.

1.9.6 "Building" means the building or buildings containing the Units and comprising a part of the Property.

1.9.7 "Bylaws" means the Bylaws of the Association provided for in Section 9.5.

1.9.8 "Common Elements" means all portions of a condominium other than the units.

1.9.9 "Common Expenses" include all sums lawfully assessed against Owners by the Association and expenses: of administration, maintenance, repair or replacement of the Common Elements declared to be common expenses by the Act, the Declaration or the Bylaws (as they may be lawfully amended); and agreed upon as common expenses by the Association.

1.9.10 "Common Funds" mean those funds held by the Association and collected from Owners by means of regular or special assessments, for the payment of Common Expenses.

1.9.11 "Condominium" means real property, portions of which are designated for separate ownership and the remainder of which is designated for common ownership solely by the owners of those portions.



Real property is not a condominium unless the undivided interests in the common elements are vested in the unit owners, and unless a declaration and a survey map and plans have been recorded pursuant to this chapter.

1.9.12 "Declarant" means the undersigned (being the sole owner(s), lessees, or possessors of the Property described in Schedule A hereof).

1.9.13 "Declaration" means this Declaration and any amendments thereto.

1.9.14 "Limited Common Element" means a portion of the common elements allocated by the declaration or by operation of RCW 64.34.204(2) or (4) for the exclusive use of one or more but fewer than all of the units.

1.9.15 "Majority" or "Majority of Unit Owners" means the Unit Owners with fifty-one (51%) percent or more of the votes in accordance with the percentages assigned herein.

1.9.16 "Manager" means the person retained by the Board (or Declarant exercising the Board's authority) to perform such management and administrative functions and duties with respect to the Condominium as are delegated to such person and as are provided in a written agreement between such person and the Association.

1.9.17 "Mortgage" means a recorded mortgage or recorded deed of trust that creates a lien against a Unit and shall also mean a recorded real estate contract for the sale of a Unit.

1.9.18 "Mortgagee" means the beneficial owner, or the designee of the beneficial owner, of a recorded encumbrance on a Unit created by mortgage or deed of trust and shall also mean the vendor, or the designer of a vendor, of a real estate contract for the sale of a Unit. A mortgagee of the Condominium and a Mortgagee of a Unit are included within the definition of Mortgagee.

1.9.19 "Mortgage Foreclosure" includes a deed of trust sale, a forfeiture of a real estate contract, and a deed given in lieu of such foreclosure, sale or forfeiture.

1.9.20 "Mortgagee of a Unit" means the holder of a Mortgage on a Unit, which mortgage was recorded simultaneous with or after the recordation of this Declaration. Unless the context requires otherwise, the terms "Mortgagee of a Unit" shall also be deemed to include the Mortgagee of the Condominium.

1.9.21 "Mortgagee of the Condominium" means the holder of a Mortgage on the real property which this Declaration affects, which Mortgage was recorded prior to the recordation of this

Declaration. The term "Mortgagee of the Condominium" does not include Mortgagees of the individual Units.

1.9.22 "Person" includes natural persons, partnerships, corporations, associations, personal representatives, trustees or other legal entities.

1.9.23 "Property" means the land, buildings, all improvements and structures now or hereafter placed on the land described in Schedule A, and all easements, rights and appurtenances belonging thereto, and all articles of personalty intended for use in connection therewith.

1.9.24 "Renting or Leasing" a unit means the granting of a right to use or occupy a Unit, for a specified term or indefinite term (with rent reserved on a periodic basis), in exchange for the payment of rent (that is, money, property or other goods or services of value); but does not mean and include joint ownership of a Unit by means of joint tenancy, tenancy-in-common or other forms of co-ownership.

1.9.25 "Survey Map and Plans" means the survey map and the plans recorded simultaneously with this Declaration and any amendments, corrections, and addenda thereto subsequently recorded.

1.9.26 "Unit Boundaries" except as provided by the declaration means:

- (a) Walls, floors, or ceilings are hereby designated as boundaries of a unit, providing that all lath, furring, wallboard, plasterboard, plaster, panelling, tiles, wallpaper, paint, finished flooring, and any other materials constituting any part of the finished surfaces thereof are a part of the unit, and all other portions of the walls, floors, or ceilings are a part of the common elements.
- (b) If any chute, flue, duct, wire, conduit, bearing wall, bearing column, or any other fixture lies partially within and partially outside the designated boundaries of a unit, any portion thereof serving only that unit is a limited common element allocated solely to that unit, and any portion thereof serving more than one unit or any portion of the common elements is a part of the common elements.
- (c) Subject to the provisions of subsection (2) of this section, all spaces, interior partitions, and other fixtures and improvements within the boundaries of a unit are a part of the unit.
- (d) Any shutters, awnings, window boxes, doorsteps, stoops, porches, balconies, patios, and all exterior doors and windows or other fixtures designed to serve a single

unit, but which are located outside the unit's boundaries are limited common elements allocated exclusively to that unit.

## ARTICLE 2

### DESCRIPTION OF LAND

#### 2.1 Description of Land

The land on which the Buildings and improvements provided for in this Declaration are located is described in Schedule A attached hereto.

## ARTICLE 3

### DESCRIPTION OF BUILDINGS AND IMPROVEMENTS

#### 3.1 Unit Buildings

A description of each unit, including its approximate square footage, number of bathrooms, whole or partial, number of designated bedrooms, number of built-in fireplaces, number of levels and type of heat as set forth in Schedule B attached hereto.

#### 3.2 Recreational Facilities

A description of the recreational facilities, if any, included within the Condominium project is set forth in Schedule B hereto.

## ARTICLE 4

### DESCRIPTION OF UNITS, LOCATION, AREA AND NUMBER OF ROOMS

#### 4.1 Building Location

Each Unit Building is identified and shown on the survey map and plans filed in conjunction herewith.

#### 4.2 Unit Location

Each Unit, parking space and storage locker, if any, is identified by a letter and/or number. The location of each Unit, storage locker, if any, and parking space is shown in the survey map and plans filed in conjunction herewith.

#### 4.3 Unit Description

In Schedule B attached hereto each Unit is fully described as required by the Act.

### ARTICLE 5

#### ACCESS

##### 5.1 Access to Common Ways

Each Unit has direct access to Common Element roadways, streets, walks, parking areas and/or driveways.

##### 5.2 Access to Public Streets

The Common Elements have a direct access to the public street(s) identified in Schedule B.

### ARTICLE 6

#### DESCRIPTION OF COMMON ELEMENTS AND FACILITIES: CERTAIN ITEMS MAY BE MADE OWNER'S RESPONSIBILITY

6.1 Except as otherwise specifically reserved, assigned or limited by the provisions of Article 7 hereof, the Common Elements and Facilities consist of the following:

6.1.1 The land described in Schedule A.

6.1.2 The windows, roofs, foundations, columns, girders, studding, joists, beams, supports, walls (excluding non-bearing interior partitions of Units), chimneys, and all other structural parts of the Buildings, perimeter walls, floors, ceilings, windows, doors. All lath, furring, wallboard, plasterboard, plaster, panelling, tiles, wallpaper, paint, finished flooring, and any other materials constituting any part of the finished surfaces thereof are a part of the Unit. All other portions of the walls, floors, or ceilings are a part of the common elements.

6.1.3 Except as limited by Section 1.9.26, installations of central services such as power, light, gas, hot and cold water, heating, refrigeration, air conditioning and incinerating; pipes, conduits, and wires, wherever they may be located whether in partitions or otherwise and whether they serve one Unit, all Units or the Common Elements; elevator shafts, tanks, pumps, motors, fans, compressors, ducts; and in general all apparatus and installations existing for common use; but excluding plumbing, electrical and similar fixtures, which fixtures are located within a Unit for the exclusive use of the Unit.

6.1.4 The driving areas (not assigned as Limited Common Elements in Article 7) which provide access to the Limited Common Elements for parking, and any guest parking or other parking areas not assigned to Units.

6.1.5 The yards, gardens, landscaped areas and walkways which surround and provide access to the Buildings or are used for recreational purposes.

6.1.6 The lobbies, halls and corridors not within individual Units, storage areas not assigned to Units, stairways and stairs, entrances and exits of the Buildings, and (unless otherwise expressly provided in Schedule B) the recreational facilities described in said Schedule B, if any.

6.1.7 Premises for the lodging or use of persons in charge of, or maintaining, the Property, if any.

6.1.8 Clubhouses, tennis or sport courts, Recreational Vehicle storage areas and all other parts of the Property necessary or convenient to its existence, maintenance and safety, or normally in common use, if any.

## ARTICLE 7

### DESCRIPTION OF LIMITED COMMON ELEMENTS: EASEMENTS FOR EXCLUSIVE USE RESERVED FOR CERTAIN UNITS

#### 7.1 Limited Common Elements

The Limited Common Elements and Facilities are reserved for the exclusive use of the Owner or Owners of the Unit or Units to which they are adjacent or assigned and consist of:

7.1.1 The patio/yard area, deck or lanai, if any, which is adjacent to each Unit as more particularly shown and designated as a Limited Common Element on the Survey Map and Plans, the boundaries of said patio/yard area, deck or lanai being defined by the interior surfaces of the walls, floor, ceiling, doors, windows; ground, railings, fence or curb enclosing said patio/yard areas, deck or lanai; provided, that, if no such fence, curb or other enclosure exists, then the boundary of such Limited Common Element shall be as depicted on the Survey Map and Plans.

7.1.2 Parking space (if any), and driving areas of the kind referred to in Section 6.1.4 (if any), which are assigned to a Unit by the Declarant pursuant to Section 7.2, and as more particularly shown on the Survey Map and Plans, the boundaries of said parking stall being defined by the interior surfaces of the walls, floor, curb and/or striping enclosing said parking spaces.

7.1.3 The storage lockers for each Unit, if any, which automatically are Limited Common Elements where said storage lockers are located on the deck, lanai, patio or hallway, or other Common Elements, immediately adjacent to a particular Unit and as shown on the Survey Map and Plans, the boundaries of said storage locker being defined by the interior surfaces of top, bottom, door and sides of said storage locker.

7.1.4 The storage locker, if any, which is assigned to a Unit by the Declarant pursuant to Section 7.2, the boundaries of said storage locker being defined by the interior surfaces of top, bottom door and sides of said storage locker.

7.1.5 Such other Limited Common Elements, if any, as may be described in Section 1.9.26 and Schedule B attached hereto.

#### 7.2 Parking, Etc. Assignment

The total number of parking spaces and storage areas, if any, is shown on Schedule B attached hereto, and the general locations are depicted on the Survey Map and Plans, unless the property does not have sufficient off-street parking and/or storage areas for each Unit, the Owner of each Unit has the unqualified right to use at least one parking space and storage area which will be assigned as provided in this Section 7.2. Declarant reserves the right to make the initial assignment of parking spaces and storage areas to each Unit, as referred to in Section 7.1.2 and 7.1.4, such assignment either being made: in Schedule B attached hereto; by amendment to the Declaration and/or Survey Map and Plans; or by designation contained in the initial Unit deed, contract or other conveyance executed by the Declarant. With respect to each Unit, Declarant shall make such assignments prior to or contemporaneously with the closing of the sale of such Unit by Declarant. Once all Units are sold, the balance of any parking spaces and storage areas, if any, not so assigned to specific Units shall constitute part of the Common Elements to be used in accordance with the rules and regulations established from time to time by the Board.

#### 7.3 Transfer of Parking Rights, Etc.

7.3.1 After Declarant's initial assignment, a Unit Owner may rent or lease the parking space and/or storage areas assigned to that Unit to any other Unit Owner; provided, that the rental or lease term shall automatically expire on the date the lessor/Unit Owner disposes of its interest in the Unit (whether such disposition is by deed, contract, foreclosure or otherwise); and provided further, that the Board shall be notified in writing of the existence of any such rental or lease agreement.

7.3.2 Notwithstanding any other provision of this Declaration to the contrary, the Limited Common Element, parking space and/or storage area may be assigned as a Limited Common



Element from one Unit to another Unit if the Owners of both Units, at their sole expense: prepare an appropriate amendment to the Declaration and Survey Map and Plans; submit for approval, as to form and legality, such amendment to the Board, who may require such Owners to also obtain such approval from the Association's attorney and/or title insurer; obtain the written consent of the record Mortgagees, if any, of such Units; and cause such amendment to be executed and recorded as provided in Section 21.1 and 21.2. Any such amendment complying with the requirements of this Section 7.3 shall be deemed consented to by the Owners and Mortgagees of all other Units.

#### ARTICLE 8

##### ALLOCATION OF PERCENTAGE OF UNDIVIDED INTEREST IN COMMON ELEMENT

All Units are hereby allocated equal percentages of individual interest in Common Elements. The undivided interest appertaining to each Unit cannot be changed except as provided in Article 21. The undivided interest in the Common Elements and the title to the respective Units shall not be separated or separately conveyed and each undivided interest shall be deemed to be conveyed with its respective Unit even though the description in the instrument of conveyance or encumbrance may refer only to the title to the Unit.

#### ARTICLE 9

##### OWNER'S ASSOCIATION

###### 9.1 Form of Association

The Association shall be a non-profit corporation under the laws of the State of Washington; provided, that from and after the formation of such non-profit corporation, the rights and duties of the members and of such corporation shall continue to be governed by the provisions of the Act, this Declaration and the Bylaws.

###### 9.2 Membership

9.2.1 Qualification. Each owner (including Declarant) shall be a member of the Association and shall be entitled to one membership for each Unit so owned; provided, that if a Unit has been sold on contract, the contract purchaser shall exercise the rights of the Unit Owner for purposes of the Association, this Declaration, and the Bylaws, except as hereinafter limited, and shall be the voting representative unless otherwise specified. Ownership of a Unit shall be the sole qualification for membership in the Association.

9.2.2 Transfer of Membership. The Association membership of each Owner (including Declarant) shall be appurtenant to the Unit giving rise to such membership, and shall not be assigned, transferred, pledged, hypothecated, conveyed or alienated in any way except upon the transfer of title to said Unit and then only to the transferee of title to such Unit. Any attempt to make a prohibited transfer shall be void. Any transfer of title to a Unit shall operate automatically to transfer the membership in the Association appurtenant thereto to the new Owner thereof.

### 9.3 Voting

9.3.1 Number of Votes. The total voting power of all Owners shall be one hundred (100) votes and the total number of votes available to Owners of any one Unit shall be equal, each Unit having the same and equal vote as any other unit.

9.3.2 Voting Owner. There shall be one (1) voting representative of each Unit. Declarant shall be considered an "owner" as that term is used herein, and shall be the voting representative, with respect to any Unit or Units owned by Declarant. If a person (including Declarant) owns more than one Unit, he shall have the votes for each Unit owned. The voting representative shall be designated by the Owner or Owners of each Unit by written notice to the Board, and need not be an Owner. The designation shall be revocable at any time by actual notice to the Board from a party having an ownership interest in a Unit, or by actual notice to the Board of the death or judicially declared incompetence of any party with an ownership interest in the Unit. This power of designation and revocation may be exercised by the guardian of a Unit Owner, and the administrators or executors of an Owner's estate. Where no designation is made, or where a designation has been made but is revoked and no new designation has been made, the voting representative of each Unit shall be the group composed of all of its Owners.

9.3.3 Joint Owner Disputes. The vote for a Unit must be cast as a single vote, and fractional votes shall not be allowed. In the event that joint Owners are unable to agree among themselves as to how their vote or votes shall be cast, they shall lose their right to vote on the matter in question. In the event more than one (1) vote is cast for a particular Unit, none of said votes shall be counted and said votes shall be deemed void.

9.3.4 Pledged Votes. If an Owner is in default under a first Mortgage on the Unit for ninety (90) consecutive days or more, the Mortgagee shall automatically be authorized to declare at any time thereafter that the Unit Owner has pledged his or her vote on all issues to the Mortgagee during the continuance of the default. If the Board has been notified of any such pledge to a Mortgagee, or in the event the record Owner or Owners have otherwise pledged their vote regarding special matters to a

Mortgagees under a duly recorded Mortgage, only the vote of such Mortgagees or vendor, will be recognized in regard to the special matters upon which the vote is so pledged, if a copy of the instrument with this pledge has been filed with the Board. Amendments to this subsection shall only be effective upon the written consent of all the voting Owners and their respective Mortgagees, if any.

#### 9.4 Meetings, Audits, Notices of Meetings

9.4.1 Annual Meetings, Audits. There shall be an annual meeting of the Owners in the first quarter of each calendar year, or such other fiscal year as the Board may by resolution adopt, at such reasonable place and time as may be designated by written notice of the board delivered to the Owners no less than ten (10) days and no more than sixty (60) days prior to the date fixed for said meeting. At the annual meeting, there shall be presented an audit of the Common Expenses, itemizing receipts and disbursements for the preceding fiscal year, and the allocation thereof to each Owner, and the estimated Common Expenses for the coming fiscal year. The Board at any time, or by written request of the Owners having at least twenty (20%) percent of the total votes, may require that an audit of the Association and management books be presented at any special meeting. A Unit Owner, at his own expense, may at any reasonable time make an audit of the books of the Board and Association.

9.4.2 Special Meetings. Special meetings of the Owners may be called at any time for the purpose of considering matters which by the terms of the Act or of this Declaration require the approval of all or some of the Owner, or for any other reasonable purpose. Such meetings shall be called by written notice of the president of the Association upon the decision of the president, or after request signed by a majority of the Board, or by written request by the Owners having at least twenty (20%) percent of the total votes, which notice shall be delivered not less than ten (10) days and not more than sixty (60) days prior to the date fixed for said meeting. The notice shall specify the date, time and place of the meeting, and in general the matters to be considered.

#### 9.5 Bylaws of Association

9.5.1 Adoption of Bylaws. Bylaws for the administration of the Association and the Property, and for other purposes not inconsistent with the Act or with the intent of this Declaration, shall be adopted by the Association upon concurrence of those voting Owners holding seventy-five (75%) percent of the voting power at a regular or special meeting. Amendments to the Bylaws may be adopted by the same vote at a regular or special meeting similarly called. Declarant may adopt initial Bylaws.

9.5.2 Bylaws Provisions. The Bylaws shall be deemed to contain provisions identical to those provided in this Article 9, and may contain supplementary, not inconsistent, provisions regarding the operation of the Condominium and administration of the Property. The Bylaws shall establish such provisions for quorum, ordering of meetings, and details regarding the giving of notice as may be required for the proper administration of the Association and the Property.

## ARTICLE 10

### MANAGEMENT OF CONDOMINIUM

#### 10.1 Administration of the Condominium

The Unit Owners covenant and agree that the administration of the Condominium shall be in accordance with the provisions of this Declaration and the Bylaws of the Association which are made a part hereof.

#### 10.2 Management

Until the earlier of the following, to wit: (a) Sixty (60) days after conveyance of seventy-five (75%) percent of the Units which may be created to Unit Owners other than a Declarant; (b) two years after the last conveyance or transfer of record of a unit except as security for a debt; (c) two years after any development right to add new units was last exercised; or (d) the date on which the Declarant records an amendment to the Declaration pursuant to which the Declarant voluntarily surrenders the right to further appoint and remove officers and members of the Board of Directors. The Condominium shall be managed in the sole discretion of the Declarant subject to the following:

10.2.1 Not later than sixty (60) days after conveyance of twenty-five (25%) percent of the Units which may be created to Unit Owners other than a Declarant, at least one member and not less than twenty-five (25%) percent of the members of the Board of Directors must be elected by Unit Owners other than the Declarant. Not later than sixty (60) days after conveyance of fifty (50%) percent of the Units which may be created to Unit Owners other than a Declarant, not less than thirty-three and one-third percent of the members of the Board of Directors must be elected by Unit Owners other than the Declarant.

10.2.2 Within thirty (30) days after the termination of any period of Declarant control, the Unit Owners shall elect a Board of Directors of at least three members, at least a majority of whom must be Unit Owners. The Board of Directors shall elect the officers. Such members of the Board of Directors must be elected by Unit Owners other than the Declarant.

10.2.3 Notwithstanding any provision of the Declaration or Bylaws to the contrary, the Unit Owners, by a two-thirds vote of the voting power in the association present and entitled to vote at any meeting of the Unit Owners at which a quorum is present, may remove any member of the Board of Directors elected by the Unit Owners. The Declarant may not remove any member of the Board of Directors elected by the Unit Owners. Prior to the termination of the period of Declarant control, the Unit Owners, other than the Declarant, may remove by a two-thirds vote, any director elected by the Unit Owners.

#### 10.3 Management by Board

At the expiration of Declarant's management authority under Section 10.2, administrative power and authority shall vest in a Board of Directors elected from among the Unit Owners. The number of directors shall be specified in the Bylaws and shall be sufficient to adequately handle the affairs of the Association. The Board may delegate all or any portion of its administrative duties to a Manager or officer of the Association, or in such manner as may be provided by the Bylaws. All Board positions shall be open for election at the first annual meeting, or a special meeting called for that purpose, whichever meeting shall first occur after the period of Declarant's authority under Section 10.2 ends. The Board shall elect a president from among its members, who shall preside over meetings of the Board and the meetings of the Association.

#### 10.4 Authority of the Board

10.4.1 The Board, or the Manager, or the Declarant as provided in Section 10.1 hereof, for the benefit of the Condominium and the Owners, shall enforce the provisions of this Declaration and of the Bylaws, shall have all powers and authority permitted to the Board under the Act and the Declaration, and shall acquire and shall pay for out of the Common Fund hereinafter provided for, all goods and services requisite for the proper functioning of the Condominium, including but not limited to the following:

(a) Water, sewer, garbage collection, electrical, telephones, gas and any other necessary utility service, including utility easements, as required for the Common Element. If one or more Units or Common or Limited Common Elements are not separately metered, the utility service may be paid as a Common Expense, and the Board may by reasonable formula allocate a portion of such expense to each such Unit involved as a portion of its Common Expense.

(b) Policies of insurance or bonds providing coverage for fire and other hazard, liability for personal injury and property damage, and for fidelity of Association officers and other

employees, as the same are more fully required hereafter and in the Bylaws.

(c) The service of persons or firms as required to properly manage the affairs of the Condominium to the extent deemed advisable by the Board as well as such other personnel as the Board shall determine are necessary or proper for the operation of the Common Element, whether such personnel are necessary or proper for the operation of the Common Element, and whether such personnel are employed directly by the Board or are furnished by the Manager.

(d) Legal and accounting services necessary or proper in the operation of the Association affairs, administration of the Common Element, or the enforcement of this Declaration.

(e) Painting, maintenance, repair and all landscaping and gardening work for the Common Element, and such furnishings and equipment for the Common Element as the Board shall determine are necessary and proper, and the Board shall have the exclusive right and duty to acquire the same for the Common Element; provided, however, that the interior surfaces of each Unit shall be painted, maintained and repaired by the Owners thereof, all such maintenance to be at the sole cost and expense of the particular Owner as more particularly provided in Section 11.5.

(f) Any other materials, supplies, labor, services, maintenance, repairs, structural alterations, insurance, taxes or assessments which the Board is required to secure by law, or which in its opinion shall be necessary or proper for the operation of the Common Element or for the enforcement of this Declaration; provided that if for any reason such materials, supplies, labor, services, maintenance, repairs, structural alterations, insurance, taxes, or assessments are provided for particular Units or their Owners, the cost thereof shall be specifically charged to the Owner of such Units.

(g) Maintenance and repair of any Unit, its appurtenances and appliances, and any Limited Common Elements, if such maintenance or repair is reasonably necessary in the discretion of the Board to protect the Common Element or preserve the appearance and value of the Condominium, and the Owner of said Unit has failed or refused to perform said maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair has been delivered by the Board to the Owner; provided that the Board shall levy a special charge against the Unit of such Owner for the cost of such maintenance or repair.

(h) The Board may also pay any amount necessary to discharge any lien or encumbrance levied against the entire Property or any part thereof which is claimed to or may, in the opinion of the Board, constitute a lien against the Property or against the Common Elements, rather than merely against the interest therein of



particular Owners. Where one or more Owners are responsible for the existence of such lien, they shall be jointly and severally liable for the cost of discharging it, and any costs and expenses (including court costs and attorney fees) incurred by the Board by reason of such lien or liens shall be specially charged against the Owners and the Unit responsible to the extent of their responsibility.

(i) The Board's power hereinabove enumerated shall be limited in that the Board shall have no authority to acquire and pay for out of the Common Fund a capital addition or improvement (other than for purposes of restoring, repairing or replacing portions of the Common Elements) having a total cost in excess of Five Thousand (\$5,000.00) Dollars, without first obtaining the affirmative vote of a majority of Owners at a meeting called for such purpose, or if no such meeting is held, then the written consent of a majority of Owners; provided that any expenditure or contract for each capital addition or improvement in excess of Twenty-five Thousand (\$25,000.00) Dollars must be approved by Owners having not less than seventy-five (75%) percent of the voting power.

(j) Nothing herein contained shall be construed to give the Board authority to conduct an active business for profit on behalf of all of the Owners or any of them.

(k) The Board shall have the exclusive right to contract for all goods and services, payment of which is to be made from the Common Fund. The Board may delegate such powers subject to the terms hereof.

(l) The Board may, from Common Funds of the Association, acquire and hold in the name of the Association, for the benefit of the Owners, tangible and intangible personal property and real property and interest therein, and may dispose of the same by sale or otherwise; and the beneficial interest in such property shall be owned by the Owners (as an appurtenance to and inseparable from the Unit owned by such Owner) in the same proportion as their respective interest in the Common Elements, and such property shall thereafter be held, sold, leased, rented, mortgaged or otherwise dealt with for the common benefit of the Owners as the Board may direct. The Board shall not, however, in any case acquire by lease or purchase real or personal property valued in excess of Five Thousand (\$5,000.00) Dollars except upon consent of a majority vote of the Unit Owners, or valued in excess of Twenty-five Thousand (\$25,000.00) Dollars except upon a seventy-five (75%) percent affirmative vote of the Unit Owners, in the manner specified in subsection 10.3.1(i).

(m) The Board and its agent or employees, may enter any Unit or Limited Common Element when necessary in connection with any maintenance, landscaping or construction for which the Board is responsible or in the event of emergencies. Such entry shall be

made with as little inconvenience to the Owners as practicable, and any damages caused thereby shall be repaired by the Board out of the Common Fund if the entry was due to an emergency, or for the purpose of maintenance or repairs to Common or Limited Common Elements where the repairs were undertaken by or under the direction or authority of the Board provided, if the repairs or maintenance were necessitated by or for the Unit entered or its Owners, or requested by its Owners, the costs thereof shall be specially charged to such Unit. In furtherance of the foregoing, the Board (or its designated agent) shall have the right at all times to possess such keys and/or lock combinations as are necessary to gain immediate access to Units and Limited Common Elements.

(n) Each Owner, by the mere act of becoming an Owner or contract purchaser of a Unit, shall irrevocably appoint the Association as his attorney-in-fact, with full power of substitution, to take such action as reasonably necessary to promptly perform the duties of the Association and Board hereunder, including but not limited to the duties to maintain, repair and improve the Property, to deal with the Unit upon damage or destruction, and to secure insurance proceeds.

10.4.2 In the discharge of its duties and the exercise of its powers as set forth in Section 10.4.1, but subject to the limitations set forth in this Declaration (including subsections 10.4.1(i) and (l) and 18.4), the Board may borrow funds on behalf of the Association and to secure the repayment of such funds encumber the Common Elements and Association's funds and the undivided interest of each Unit Owner therein. Provided, that the Owner of a Unit may remove said Unit and the percentage of undivided interest in the Common Elements appurtenant to such Unit from the lien of such encumbrance or from any other lien arising pursuant to the provisions of RCW 64.32.070 by payment of the fractional or proportional amounts attributable to such Unit. Such individual payments shall be computed by reference to the percentages appearing in this Declaration. Subsequent to any such payment, discharge or satisfaction, the Unit and the percentage of undivided interest in the Common Elements appurtenant thereto shall thereafter be free and clear of the liens so paid, satisfied, or discharged. Such partial payment, satisfaction, or discharge shall not prevent the lien holder from proceeding to enforce his rights against any apartment and the percentage of undivided interest in the Common Elements appurtenant thereto not so paid, satisfied, or discharged.

10.4.3 Association Agreements. All agreements and determinations lawfully made by the Association in accordance with the voting percentages established in the Act, this Declaration and the Bylaws shall be binding on all Owners, their successors and assigns.

## ARTICLE 11

### USE: REGULATION OF USES: ARCHITECTURAL UNIFORMITY

#### 11.1 Residential Units

The residential Units shall be used: for residential purposes only, including sleeping, eating, food preparation for on-site consumption by occupants and guests, entertaining by occupants of personal guests and similar activities commonly conducted within a residential dwelling, without regard to whether the Unit Owner or occupant resides in the Unit as a primary or secondary personal residence, on an ownership, rental, lease or invitee basis; for the common social, recreational or other reasonable uses normally incident to such purposes; and for purposes of operating the Association and managing the Condominium.

#### 11.2 Sales Facilities of Declarant

Notwithstanding any provision in Section 11.1, Declarant, its agents, employees and contractors shall be permitted to maintain during the period of sale of the Condominium upon such portion of the Property as Declarant may choose, such facilities as in the sole opinion of the Declarant may be reasonably required, convenient or incidental to the construction, sale or rental of Units and appurtenant interest, including but not limited to, a business office, storage area, signs, model units, sales office, construction office and parking areas for all prospective tenants or purchasers of Declarant. This Section 11.2 may not be amended without the prior written consent of Declarant so long as Declarant continues to own at lease one (1) Unit.

#### 11.3 Parking Spaces.

Parking spaces (except fully enclosed garages) are restricted to use for parking of operative automobiles; other items and equipment including boats and recreational vehicles may be parked or kept therein only subject to the rules or regulations of the Board. Such rules shall provide that boats and recreational vehicles may be kept in parking spaces for not more than three (3) consecutive days, after which their immediate removal shall be required. The Board shall require removal of any inoperative or improperly licensed vehicle, or any unsightly vehicle, and any other equipment or item improperly stored in parking spaces. If the same is not removed, the Board shall cause removal at the risk and expense of the Owner thereof. Use of all parking areas may be regulated by the Board and is subject to the provisions of Article 7 of this Declaration.

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#### 11.4 Common Drive and Walks

Common drives, walks, corridors, stairways and other general Common Elements shall be used exclusively for normal transit and no obstructions and/or decorations or other items shall be placed thereon or therein except by express written consent of the Board.

#### 11.5 Interior Unit Maintenance

11.5.1 Each Unit Owner shall, at his sole expense, have the right and the duty to keep the interior of his Unit and its equipment, appliances, and appurtenances in good order, condition and repair and shall do all redecorating and painting at any time necessary to maintain the good appearance and condition of his Unit. Each Owner shall be responsible for the maintenance, repair or replacement of any plumbing fixtures, water heaters, fans, heating or other equipment, electrical fixtures or appliances which may be in or connected with his Unit.

11.5.2 Without limiting the generality of the foregoing, each Owner shall have the right and the duty, at his sole cost and expense, to maintain, repair, paint, paper, panel, plaster, tile and finish the wallboard or lath, windows, window frames, doors, door frames and trim and the interior surfaces of the ceilings, floors, and the perimeter walls of the Unit and the surfaces of the bearing and non-bearing walls located within his Unit and shall not permit or commit waste of his Unit or the Common Elements. Each Owner shall have the right to substitute new finished surfaces for the finished surfaces then existing on said ceilings, floors and walls; provided that, except for hard surface flooring installed by Declarant or installed as part of the original construction of the Building, no Owner shall install hard surface flooring within a Unit except with the prior written consent of the Board. Each Owner has the right to maintain, repair, paint, finish, alter, substitute, add or remove any fixtures attached to said ceilings, floors or walls. This section shall not be construed as permitting any interference with or damage to the structural integrity of the Building or interference with the use and enjoyment of the Common Elements or of the other Units or any of them, nor shall it be construed to limit the powers or obligations of the Board hereunder.

11.5.3 Limited Common Elements, as defined in Article 7, are for the sole and exclusive use of the Units for which they are reserved or assigned; provided, that the use, condition and appearance thereof may be regulated under provisions of the Bylaws, rules or this Declaration including the following:

(a) Decisions with respect to the standard of appearance and condition of Limited Common Elements, and with respect to the necessity for, and manner of, caring for, maintaining, repairing,

repainting or redecorating Limited Common Elements, ("Maintenance Work" herein) shall be made by the Board;

(b) Performance of such Maintenance Work shall be carried out by the Board on behalf of the Owner or Owners of Units to which the Common Element in question is assigned or reserved; provided, that by written notice, the Board may permit such Owner or Owners to perform such Maintenance Work themselves;

(c) Owners may not, however, modify, paint, or otherwise decorate, or in any way alter their respective Limited Common Elements without prior written approval of the Board; provided that private garden patches of up to 100 square feet may be maintained in the Limited Common Elements but only behind a Unit in its rear yard and not in its front yard or side yard. Front yards shall mean and include the yard area adjoining the roadway that services the Unit's garage. Gardens shall be maintained at all time by the Unit Owner or Occupant in a neat and clean condition. The Board may establish maintenance rules and further limit garden locations. If gardens are not maintained according to the terms of this Declaration or according to rules later established by the Board, performance of such Maintenance Work shall be carried out by the Board on behalf of the Owner or Owners of the Unit and the Board shall charge the Owner or Owners for such services;

(d) Unit Owners will be responsible for the cost of such Maintenance Work for the Limited Common Elements reserved for or assigned to their Units;

(e) With respect to a Limited Common Element reserved for or assigned to more than one Unit for the mutual and joint use thereof, the cost of such Maintenance Work for such Limited Common Element shall be divided in equal shares among the Units for which such Limited Common Element is reserved;

(f) With respect to any such Maintenance Work performed by the Board, the cost thereof (or the appropriate share thereof if the Limited Common Element in question has been assigned or reserved jointly to more than one Unit) shall be levied as a special charge against the Unit or Units (and the Owner or Owners thereof) to which such Limited Common Element is assigned or reserved.

#### 11.6 Exterior Appearance

In order to preserve a uniform exterior appearance to the Building, and the Common and Limited Common Elements visible to the public, the Board shall require and provide for the painting and other decorative finish of the Building, lanais or patio/yard areas, or other Common or Limited Common Elements, and prescribe the type and color of such decorative finishes, and may prohibit, require or regulate any modification or decoration of the Building,

lanais, patio/yard areas or other Common or Limited Common Elements undertaken or proposed by any Owner. This power of the Board extends to screens, doors, awnings, rails or other visible portions of each Unit and Unit Building. The Board may also require use of a uniform color and kind of Unit window covering visible from the exterior (including draperies, blinds, shades, etc.).

#### 11.7 Effect on Insurance

Nothing shall be done or kept in any Unit or in the Common or Limited Common Element which will increase the rate of insurance on the Common Element or Units without the prior written consent of the Board. No Owner and/or purchaser shall permit anything to be done or kept in this Unit or in the Common or Limited Common Elements which will result in the cancellation of insurance of any Unit or any part of the Common or Limited Common Elements, or which would be in violation of any laws.

#### 11.8 Signs

No sign of any kind shall be displayed to the public view on or from any Unit or Common or Limited Common Element without the prior consent of the Board; provided, that the Board shall, by and subject to appropriate rule, permit temporary placement of a sign, at a space designated by the Board, indicating that a Unit is for sale or lease; and provided, that this section shall not apply to Declarant or Declarant's agents in exercising the rights provided under Section 11.2.

#### 11.9 Pets

All animals (which term includes livestock, domestic animals, poultry, reptiles or living creatures of any kind), shall be raised, bred, or kept in any Unit or in the Common or Limited Common Elements, whether as pets or otherwise, in strict compliance with the rules and regulations adopted by the Board, or Bylaws adopted by the Owners. The Board may at any time require removal of any animal which it finds is disturbing other Owners unreasonably, in the Board's determination, and may exercise this authority for specific animals even though other animals are permitted to remain. All dogs or other animals outside any Unit shall be kept on a leash under direct personal control of an Owner or Occupant at all times.

#### 11.10 Offensive Activity

No noxious or offensive activity shall be carried on in any Unit or Common or Limited Common Element, nor shall anything be done therein which may be or become an annoyance or nuisance to other Owners.

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11.11 Common Element and Limited Common Element Alterations

Nothing shall be altered or constructed in, or (except for an Owner's personal property) removed from, the Common Element or Limited Common Element except upon the written consent of the Board and after procedures required herein or by law or as otherwise provided herein. This restriction applies to antennae, sheds, appendages to Units and all other alterations or construction, including outside clotheslines.

11.12 House Rules

The Board or the Association membership is empowered to pass, amend and revoke detailed administrative rules and regulations, or "House Rules," necessary or convenient from time to time to insure compliance with the general guidelines of this Article and the other provisions of this Declaration. Such House Rules shall be binding on all Unit Owners, lessees, guests and invitees upon adoption by the Board or Association.

11.13 Rental Units

The Leasing or Renting of a Unit by its Owner shall be governed by the provisions of this Section 11.13:

11.13.1 With the exception of a lender in possession of a Unit following a default in a first Mortgage, a foreclosure proceeding or any deed or other arrangement in lieu of a foreclosure, no Unit Owner shall be permitted to lease his Unit for hotel or transient purposes which shall be defined as renting for any period less than thirty (30) days. The Association may by resolution of the Board of Directors prohibit the leasing of any Unit for a period of less than six (6) months.

11.13.2 No Unit Owner may Lease less than the entire Unit.

11.13.3 All Leasing or Rental agreements shall be in writing and be subject to the Declaration and Bylaws (with a default by the tenant in complying with the Declaration and/or Bylaws constituting a default under the Lease or Rental agreement).

11.13.4 If a Unit is rented by its Owner, the Board may collect, and the tenant or lessee shall pay to the Board, so much of the rent for such Unit as is required to pay any amounts due the Association hereunder, plus interest and costs, if the same are in default over thirty (30) days. The renter or lessee shall not have the right to question payment over to the Board, and such payment will discharge the lessee's or renter's duty of payment to the Owner for rent, to the extent such rent is paid to the Association, but will not discharge the liability of the Owner or purchase and the Unit under this Declaration for assessments and charges, or operate as an approval of the lease. The Board shall not exercise

this power where a receiver has been appointed with respect to the Unit or its Owner; nor in derogation of any rights which a Mortgagee of such Unit may have with respect to such rents. Other than as stated in this Section 11.13, there is no restriction on the right of any Unit Owner to lease or otherwise rent his Unit.

#### 11.14 Age of Occupants

The Condominium has been designed as housing for older persons and is intended and shall be operated for occupancy by persons fifty-five (55) years of age or older. Owners and Occupants shall be subject to the following requirements:

11.14.1 Significant facilities and services are planned to meet the physical and social needs of older persons including, but not limited to:

(a) All units are designed with at least one or more bedrooms and bathrooms on the main floor so use of steps may be avoided by occupants.

(b) Double attached garages are provided with all units for ease of movement from garage to unit. Automatic garage door openers are provided so older persons do not have to exit their vehicles to open garage doors.

(c) Expansive greenbelts and walking paths are provided for exercise and enjoyment.

(d) Common exterior maintenance services are provided so that older people who cannot handle such chores will be provided for.

(e) Clubhouse with meeting rooms and hot tub are provided for exercise and relaxation.

(f) Optional 100 square foot garden plots are permitted for older persons who enjoy gardening.

(g) The density and proximity of units have been specifically designed to serve older persons.

11.14.2 At least eighty (80%) percent of the occupied units at The Village at Cordata, Northside shall be occupied by at least one person fifty-five (55) years of age or older. At least ninety-five (95%) percent of the occupied units shall be occupied by at least one person forty (40) years of age or older. All permanent residents and occupants of each Unit shall be eighteen (18) years old or older, it being the intention of the Declarant that the Condominium be a Condominium for adults or near adults; provided that newborn babies may continue to live in a Unit only until they reach the age of one (1) year, at which time they shall be required to cease residency and occupancy of the Unit. Children under the

age of eighteen (18) shall be allowed to visit Owners or Occupants of Units, but only for periods of time not to exceed two (2) weeks out of any eight (8) week period as to each particular child who may be visiting. The Board may adopt additional rules regarding such visitation and may require that any visitor under eighteen (18) years of age that it finds to be disturbing other Owners unreasonably, in the Board's determination be required to leave the premises, and may exercise its authority for specific visitors under age eighteen (18) even though other visitors under age eighteen (18) are permitted to remain. No unit shall be sold, rented or leased to any person or persons unless the standards established in this paragraph are complied with. The Declarant, and after its formation, the Village at Cordata, Northside Association, shall have the specific legal rights to seek injunctive relief from the Superior Court of the State of Washington in Whatcom County with respect to any Owner or Occupant on account of noncompliance with this paragraph. Noncomplying Owner and/or Occupants may be evicted. The prevailing party in such an action shall be entitled to reasonable attorneys fees and costs of suit.

11.14.3 It is the intention of the Declarant that The Village at Cordata, Northside provide housing for older persons in accordance with the Public Law 100-430, September 13, 1988, and regulations later promulgated by the Secretary of HUD, thereunder.

So long as Declarant continues to own one or more Units, or any land subject to this Declaration, the Declarant, upon Declarant's sole signature, and as attorney-in-fact for all Unit Owners with an irrevocable power coupled with an interest, may at any time amend this Declaration to conform to the requirements of Public Law 100-430, Section 805 (a) through (d) amending 42USC3605 and 42USC3607 and any regulations promulgated thereunder by the Secretary.

## ARTICLE 12

### COMMON EXPENSES AND ASSESSMENTS

#### 12.1 Estimated Expenses

Within sixty (60) days prior to the beginning of each calendar year, or such other fiscal year as the Board may adopt, the Board shall estimate the charges including Common Expenses, and any special charges for particular Units, to be paid during such year; shall make provision for creating, funding and maintaining reasonable reserves for contingencies and operations, as well as for maintenance repair, replacement and acquisition of Common Elements; and shall take into account any expected income and any surplus available from the prior year's operating fund. Without limiting the generality of the foregoing but in furtherance

thereof, the Board shall create and maintain from regular monthly assessments a reserve fund for replacement of those Common Elements which can reasonably be expected to require replacement or a major repair prior to the end of the useful life of the Buildings. The Board shall calculate the contribution to said reserve so that there are sufficient funds therein to replace, or perform such major repair, to each Common Element covered by the fund at the end of the estimated useful life of each such Common Element. The Declarant or initial Board may at any suitable time establish the first such estimate. If the sum estimated and budgeted at any time proves inadequate for any reason (including non-payment for any reason of any Owner's assessment), the Board may at any time levy a further assessment, which shall be assessed to the Owners according to Section 12.5. Similarly, if the sum estimated and budgeted, and being collected and/or already collected, at any time proves excessive the Board may reduce the amount being assessed and/or apply existing funds (in excess of current needs and required reserves) against future assessments and/or refund such excess funds.

#### 12.2 Payment by Owners

Each Owner shall be obligated to pay its share of Common Expenses and special charges made pursuant to this Article to the treasurer for the Association in equal monthly installments on or before the first day of each month during such year, or in such other reasonable manner as the Board shall designate. An Owner may not exempt himself from liability for payment of assessments for any reason, including waiver of use or enjoyment of any of the Common Elements or abandonment of the Owner's Unit. Assessments for each Unit Owner shall begin on the date said Owner closes the transaction in which he acquires right, title or interest in the Unit. Assessments for the initial month shall be prorated if closing occurs on other than the first of the month. Any unpaid assessment or charge shall bear interest at the rate of eighteen (18%) percent per annum from due date until paid. In addition, the Board may impose a late charge in amount not exceeding twenty-five (25%) percent of any unpaid assessment or charge which had remained delinquent for more than fifteen (15) days. The budget may be reviewed and revised by the membership at any annual meeting, or any special meeting called for such purpose, but if not so reviewed or if no change is made, shall be deemed approved.

#### 12.3 Purpose

All funds collected hereunder shall be expended for the purposes designated in this Declaration.

#### 12.4 Separate Accounts

The Board shall require that the Association maintain separate accounts for current operations, reserves, and a special separate

escrow reserve account for payment of insurance. Each month the Board shall first deposit into the insurance reserve account a portion of the monthly Common Expense assessments equal to at least one-twelfth (1/12th) of the annual estimated total cost of all of the insurance policies required under Section 13.1. Such insurance reserve account shall be held separately and inviolate until utilized for payment of insurance premiums. Thereafter the remainder of the assessments and charges collected may be utilized for payment of other expenses or deposited or credited to other accounts. All such assessments and charges shall be collected and held in trust for, and administered and expended for the benefit of the Unit Owners.

#### 12.5 Based on Percentage

Except for certain special charges, matters affecting fewer than all of the units, and expenses involving disproportionate risk or usage which may be levied against particular Units under the provisions of this Declaration and the Act, all assessments for Common Expenses shall be assessed to Units and the Owners thereof on the basis of the percentages set forth in Schedule B hereof and any amendments thereto.

#### 12.6 Omission of Assessment

The omission by the Board or the Association before the expiration of any year to fix the estimate for assessments and charges hereunder for that or the next year, shall not be deemed a waiver or modification in any respect of the provisions of this Declaration, or a release of the Owner from the obligation to pay the assessments and charges, or any installment thereof for that or any subsequent year; but the assessment and charge fixed for the preceding year shall continue until a new assessment or charge is fixed.

#### 12.7 Records

The Board shall cause to be kept, detailed and accurate records in the form established by the Association's accountant, of the receipts and expenditures of the Association, specifying and itemizing the maintenance and repair expenses and any other expense incurred. Such records and any resolutions authorizing the payments involved shall be available for examination by any Owner at convenient hours of week days.

#### 12.8 Declarant Liability

The assessments provided for in this Declaration shall be imposed on Units owned by Declarant beginning on the day the first Unit sale closes on the same basis as imposed on all other Units, regardless of whether Declarant-owned Units are vacant or have been sold, leased or rented. Assessments shall be imposed only on units

which have been made a part of the Condominium and shall not apply to future phases which have not been made a part of the Condominium.

#### 12.9 Lien Indebtedness

In the event any monthly assessment or special charge attributable to a particular Unit remains delinquent for more than thirty (30) days, the Board may, upon fifteen (15) days written notice to the Owner of such Unit, accelerate and demand immediate payment of all, or such portion as the Board determines will become due during the next succeeding twelve (12) months with respect to such Unit. Each monthly Common Expense assessment and each special charge shall be joint and several personal debts and obligation of the Owner or Owners and contract purchasers of Units for which the same are assessed or charged as of the time the assessment or charge is made and shall be collectible as such. In connection with the voluntary conveyance of a Unit, the grantee shall be jointly and severally liable with the grantor for all unpaid assessments up to the time of conveyance without prejudice to the grantee's right to recover from the grantor the amount paid by the grantee therefor. The amount of any assessment or charge, whether regular or special, assessed or charged to any Unit and the Owner and/or purchaser of any Unit, plus interest at the rate of eighteen (18%) percent per annum and late charges in an amount determined by the Board, and costs, including charges in an amount determined by the Board, and costs, including reasonable attorney's fees, shall be a lien upon such Unit, the appurtenant interest in Common and Limited Common Elements and the exclusive use thereof. The said lien for payment of such assessments and charges shall have priority over all other liens and encumbrances, recorded or unrecorded, except that such priority shall be limited as provided in Article 18. Suit to recover a money judgment for unpaid assessments or charges shall be maintainable without foreclosure or waiving the lien securing the same.

#### 12.10 Certificate of Assessment

A certificate executed and acknowledged by the treasurer or the president of the Board, or an authorized agent thereof if neither the president nor treasurer is available, stating the indebtedness for assessments and charges or lack thereof secured by the assessment lien upon any Unit shall be conclusive upon the Board and the Owners as to the amount of such indebtedness on the date of the certificate, in favor of all persons who rely thereon in good faith. Such a certificate shall be provided to a unit owner or his agent within a reasonable time after request, in recordable form, at a reasonable fee. Unless otherwise prohibited by law, any encumbrancer holding a lien on a Unit, and, upon such payment, such encumbrancer shall have a lien on such Unit for the amounts paid of the same priority rank as the lien of his encumbrance.



12.11 Assessment Deposit

12.11.1 A Unit Owner may be required by the Board or by the Manager, from time to time, to make and maintain a deposit not less than two (2) months nor in excess of three (3) months estimated monthly assessment and charges, which may be collected as are other assessments and charges. Such deposit shall be held in a separate fund, be credited to the Unit owned by such Owner, and be for the purpose of establishing a working capital fund for initial project operations and a reserve for delinquent assessments. Resort may be had thereto at any time when such Owner is ten (10) days or more delinquent in paying his monthly or other assessments and charges, or to meet unforeseen expenditures, or to acquire additional equipment or services deemed necessary or desirable by the Board. Said deposits shall not be considered as advance payments of regular assessments.

12.11.2 In the event the Board should draw upon said deposit as a result of a Unit Owner's delinquency in payment of any assessments, said Owner shall continue to be responsible for the immediate and full payment of said delinquent assessment (and all penalties and costs thereon) and thus the full restoration of said deposit, and the Board shall continue to have all of the rights and remedies for enforcing such assessment payment and deposit restoration as provided by this Declaration and by law.

12.11.3 At any time after a date two (2) years from the recording of this Declaration or after the date on which the first Board is elected pursuant to Section 10.3 (whichever last occurs), and so long as the reserves required by Section 12.1 and 12.4 are otherwise maintained, all or any portion of the deposit made under this Section 12.11 may be refunded by the Association in the discretion of the Board to the Owner of the Unit for which the deposit was initially made, such refund being made as a cash refund or a credit against assessments subsequently to become due or a combination thereof. Provided, upon the sale of a Unit, the seller/Owner thereof shall not be entitled to a refund from the Association of any deposit or reserve account made or maintained with respect to such Unit pursuant to this or any other section of the Declaration; rather, any such deposit or reserve account shall continue to be held by the Association for the credit of such Unit, and the Unit seller shall be responsible for obtaining from the purchaser appropriate compensation therefor.

12.11.4 Declarant shall collect the initial deposit under this Section 12.11 at the time of closing from the first purchaser of each Unit, but in all events the deposit for each unsold Unit shall be paid by Declarant to the Association within sixty (60) days after the date of conveyance of the first Unit in the project; provided, if Declarant has paid said initial deposit with respect to an unsold Unit, then notwithstanding any provisions in a purchase and sale agreement to the contrary, the initial deposit

paid at sale closing by the first purchaser shall be paid to Declarant and not the Association.

12.12 Foreclosure of Assessment Lien: Attorney's Fees & Costs

The Declarant, Manager, or Board on behalf of the Association may initiate action to foreclose the lien of any assessment. In any action to foreclose a lien against any Unit for non-payment of delinquent assessments or charges, any judgment rendered against the Owners of such Unit in favor of the Association shall include a reasonable sum for attorney's fees and all costs and expenses reasonably incurred in preparation for or in the prosecution of said action, in addition to taxable costs permitted by law.

12.13 Termination of Utility Service

In addition to, and not by way of limitation upon, other methods of collecting any assessments, the Board shall have the right, after having given (10) days' notice to any Unit Owner who is delinquent in paying his assessments or charges, to cut off any or all utility services to the delinquent Owner's Unit until such assessments or charges are paid.

12.14 Remedies Cumulative

The remedies provided are cumulative, and the Board may pursue them concurrently, as well as any other remedies which may be available under law although not expressed herein.

ARTICLE 13

INSURANCE

13.1 Insurance Coverage

The Board shall obtain and maintain at all times as a Common Expense a policy or policies and bonds of property insurance covering all of the general Common and Limited Common Elements including fixtures and Building service equipment, common personal property and supplies belonging to the Association, which shall include at a minimum:

13.1.1 Fire insurance, with extended coverage (including vandalism, malicious mischief, sprinkler leakage, debris removal, windstorm and water damage) endorsement, in an amount equal to the full insurable current replacement value (without deduction for depreciation and exclusion of land, foundation, excavation and other items normally excluded from coverage) of the Common and Limited Common Elements and the Units, with the Board named as insured as trustee for the use and benefit of Owners and Mortgagees as their interest may appear, or such other fire and casualty

insurance as the Board shall determine to give substantially equal or greater protection insuring the owners, and their Mortgages, in the percentage of common ownership as set forth in Schedule B. Said policy of policies shall provide for separate protection for each Unit to the full insurable replacement value thereof, (limited as above provided) and a separate loss payable endorsement, in favor of the Mortgagee or Mortgagees of each Unit, if any, and further, a separate loss payable clause in favor of the Mortgagee of the Condominium, if any. All insurance shall be obtained from an insurance carrier rated Triple A (and rated as in Class VI or better financial condition) by Best's Insurance Reports or equivalent rating service.

13.1.2 General comprehensive liability insurance insuring the Board, the Association, the Owners, Declarant and Manager against any liability to the public or to the Owners of Units, and their invitees, or tenants, incident to the ownership or use of the common and Limited Common Areas (including but not limited to owned and non-owned property of others and, if applicable, elevator collision and garagekeeper's liability), and legal liability arising out of lawsuits related to employment contracts of the Association, the liability under which insurance shall be in an amount determined by the board after consultation with insurance consultants, but no less than One Million (\$1,000,000.00) Dollars covering all claims for personal injury, including death and/or property damage arising out of a single occurrence (such policy limits to be reviewed at least annually by the board and increased in its discretion). Such insurance shall contain appropriate provisions or endorsements precluding the insurer from denying the claim of an Owner because of the negligent acts of the Association or another Owner.

13.1.3 Workmen's compensation insurance to the extent required by applicable laws.

13.1.4 Fidelity bonds naming the members of the Board, the manager and its employees and such other persons as may be designated by the Board as principals and the Association as obligee, in at least an amount equal to one hundred fifty (150%) percent of the estimated maximum funding, including reserve funds, in the custody of the Association or Manager at any given time during the term of each bond or an amount equal to one hundred fifty (150%) percent of the estimated annual operating expenses of the condominium project, including reserves (whichever amount is greater); provided that in no event shall the aggregate amount of such bond be less than three (3) months aggregate assessments for all Units plus reserves. Such fidelity bonds shall contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definitions of "employee" or similar expression.

13.1.5 Insurance against loss of personal property of the Association by fire, theft and other losses with deductible provision as the Board deems advisable.

13.1.6 If the Condominium contains a steam boiler, a broad form policy of repair and replacement boiler and machinery insurance of at least Fifty Thousand (\$50,000.00) Dollars per accident per location.

13.1.7 Such other insurance as the board deems advisable; provided, that notwithstanding any other provisions herein the Association shall continuously maintain in effect such casualty, flood and liability insurance and a fidelity bond meeting the insurance and fidelity bond requirements for condominium projects established by Federal National Mortgage Association, Government National Mortgage Association, Federal Home Loan Mortgage Corporation, Veteran's Administration, or other governmental or quasi-governmental agencies involved in the secondary mortgage market, so long as any such agency is a Mortgagee or Owner of a Unit within the project, except to the extent such coverage is not available or has been waived in writing by such agency.

### 13.2 Owner's Additional Insurance

Each owner shall obtain additional insurance respecting his Unit as contemplated under RCW 64.32.220 and 64.32.010(1) at his own expense; no Owner shall, however, be entitled to exercise his right to maintain insurance coverage in any manner which would decrease the amount which the Board, or any trustee for the Board, on behalf of all of the Owners, will realize under any insurance policy which the Board may have in force on the Condominium at any particular time. Each Owner is required to and agrees to notify the Board of all improvements by the owner to his Unit the value of which is in excess of One Thousand (\$1,000.00) Dollars. Each Owner is hereby required to file a copy of such individual policy or policies with the board within thirty (30) days after purchase of such insurance, and the Board may review its effect with the Board's insurance broker, agent or carrier.

### 13.3 Insurance Proceeds

Insurance proceeds for damage or destruction to any part of the Property shall be paid to the Board on behalf of the Association which shall segregate such proceeds from other funds of the Association for use and payment as provided for in Article 14. The Association acting through its Board shall have the exclusive authority to settle and compromise any claim under insurance obtained by the Association and the insurer may accept a release and discharge of liability made by the Board on behalf of the named insureds under the policy. Notwithstanding any of the foregoing provisions and requirements relating to property or liability insurance, there may be named as an insured, on behalf of the

Association, the Owners Association's authorized representative, including the Board or any other trustee with whom such Association may enter into any Insurance Trust Agreement or any successor to such trustee (each of whom shall be referred to herein as the "Insurance Trustee"), who shall have exclusive authority to negotiate losses under any policy providing such property or liability insurance.

Each Unit Owner appoints the Association, or any Insurance Trustee or substitute Insurance Trustee designated by the Association, as attorney-in-fact for the purpose of purchasing and maintaining such insurance, including: the collection and appropriate disposition of the proceeds thereof; the negotiation of losses and execution of releases of liability; the execution of all documents; and the performance of all other acts necessary to accomplish such purpose. The Association or any insurance Trustee is required to receive, hold or otherwise properly dispose of any proceeds of insurance in trust for Unit Owners and their first Mortgagees, as their interests may appear.

#### 13.4 Additional Provisions

The Board shall obtain insurance policies which:

(a) Provide the liability of the insurer thereunder shall not be affected by, and that the insurer shall not claim any right of set-off, counterclaims, apportionment proration, contribution or assessment by reason of, any other insurance obtained by or for any Unit Owner or any Mortgagee;

(b) Contain no provision relieving the insurer from liability for loss because of any act or neglect that is not within the control of the Association or because of any failure of the Association to comply with any warranty or condition regarding any portion of the premises over which the Association has no direct control;

(c) Contain a waiver of subrogation by the insurer as to any and all claims against the Association, the Owner of any Unit and/or their respective agents, employees or tenants, and of any defenses based upon co-insurance or upon invalidity arising from the acts of the insured.

(d) Provide that, despite any provision giving the insurer the right to restore damage in lieu of a cash settlement such option shall not be exercisable without the prior written approval of the Association, or when in conflict with the provisions of any insurance trust agreement to which the Association is a party, or any requirement of law.

(e) Contain no provision (other than insurance conditions) which will prevent Mortgagees from collecting insurance proceeds.

(f) May not be canceled or modified substantially without at least ten (10) days prior written notice to the Association and each holder of a first Mortgage listed in the insurance policy as a scheduled holder of a first Mortgage.

(g) Contains, if available, an agreed amount and Inflation Guard Endorsement.

#### ARTICLE 14

##### DAMAGE OR DESTRUCTION: RECONSTRUCTION

###### 14.1 Initial Board Determinations

In the event of damage or destruction to any part of the Property, the Board shall promptly, and in all events within twenty (20) days after the date of damage or destruction, make the following determinations with respect thereto employing such advice as the Board deems advisable:

14.1.1 The nature and extent of the damage or destruction, together with an inventory of the improvements and property directly affected thereby.

14.1.2 A reasonably reliable estimate of the cost to repair and restore the damage and destruction, which estimate shall, if reasonably practicable, be based upon two or more firm bids obtained from responsible contractors.

14.1.3 The anticipated insurance proceeds, if any, to be available from insurance covering the loss based on the amount paid or initially offered by the insurer.

14.1.4 The amount, if any, that the estimated cost of repair and restoration exceeds the anticipated insurance proceeds therefor and the amount of assessment to each Unit if such excess was paid as a Common Expense and specially assessed against all the units in proportion to their percentage of interest in the Common Elements.

14.1.5 The Board's recommendation as to whether such damage or destruction should be repaired or restored.

###### 14.2 Notice of Damage or Destruction

The Board shall promptly, and in all events within thirty (30) days after the date of damage or destruction, provide each Owner, and each first Mortgagee with a written notice summarizing the initial Board determination made under Section 14.1. If the Board fails to do so within said thirty (30) days, then any Owner or



first Mortgagee may make the determinations required under Section 14.1 and give the notice required under this Section 14.2.

14.3 Definitions: Restoration: Emergency Work

14.3.1 As used in this Article 14, the words "repair," "reconstruct," "rebuild" or "restore" shall mean restoring the improvements to substantially the same condition in which they existed prior to the damage or destruction, with each Unit and the Common and Limited Common Elements having substantially the same vertical and horizontal boundaries as before. Modifications to conform to then applicable governmental rules and regulations or available means of construction may be made.

14.3.2 As used in this Article 14, the term "Emergency Work" shall mean that work which the Board deems reasonably necessary to avoid further damage, destruction or substantial diminution in value to the improvements and to reasonably protect the Owners from liability from the condition of the site.

14.4 Restoration by Board

14.4.1 Unless prior to the commencement of Repair and Restoration Work (other than Emergency Work referred to in subsection 14.3.1) the Owners shall have decided not to Repair and Reconstruct in accordance with the provisions of either subsection 14.5.3 or 14.6.3, the Board shall promptly Repair and Restore the damage and destruction, use the available insurance proceeds therefor, and pay for the actual cost of repair and restoration in excess of insurance proceeds secured as a Common Expense which shall be specially assessed against all Units in proportion to their percent percentages of interest in the Common Areas.

14.4.2 The Board shall have the authority to employ architects and attorneys, advertise for bids, let contracts to contractors and others, and to take such other action as is reasonably necessary to effectuate the Repair and Restoration. Contracts for such repair and restoration shall be awarded when the Board, by means of insurance proceeds and sufficient assessments, has provision for the cost thereof. The Board may further authorize the insurance carrier to proceed with Repair and Restoration upon satisfaction of the Board that such work will be appropriately carried out.

14.4.3 The Board may enter into a written agreement in recordable form with any reputable financial institution or trust or escrow company that such firm or institution shall act as an insurance trustee to adjust and settle any claim for such loss in excess of Fifty Thousand (\$50,000.00) Dollars, or for such firm or institution to collect the insurance proceeds and carry out the provisions of this Article.

**14.5 Limited Damage: Assessment Under \$3,500.00**

If the amount of the estimated assessments determined under subsection 14.1.4 does not exceed Three Thousand Five Hundred (\$3,500.00) Dollars for any one Unit, then the provisions of this Section 14.5 shall apply:

14.5.1 The Board may, but shall not be required to, call a special Owners' meeting to consider such Repair and Restoration work which notice shall be given simultaneously with the notice required to be given by the Board under Section 14.2 above. If the Board shall fail to call such meeting, then the requisite number of Owners or any first Mortgagee, within fifteen (15) days or receipt of the notice given by the Board under Section 14.2 above, or the expiration of such thirty (30) day period, whichever is less, may call such special Owners' meeting to consider such Repair and Restoration work. Any meeting called for under this Section 14.5.1 shall be convened not less than ten (10) nor more than twenty (20) days after the date of such notice of meeting.

14.5.2 Except for Emergency Work, no Repair and Restoration work shall be commenced until after the expiration of the notice period set forth in Section 14.5.1 and until after the conclusion of said special meeting if such meeting is called within said requisite period.

14.5.3 A unanimous written decision of the Unit Owners and first Mortgagee (based upon a one vote for each first Mortgage owned) will be required to avoid the provisions of subsection 14.4.1 and to determine not to Repair and Restore the damage and destruction in accordance with the original plans, as amended by subsequent amendments, if any; provided, that the failure of the Board, the requisite number of Owners or a first Mortgagee to call for a special meeting at the time or in the manner set forth in Section 14.5 shall be deemed a unanimous decision to undertake such work.

**14.6 Major Damage: Assessment Over \$3,500.00**

If the amount of the estimated assessment determined under subsection 14.1.4 exceeds Three Thousand Five Hundred (\$3,500.00) Dollars for any one Unit, then the provisions of this Section 14.6 shall apply:

14.6.1 The Board shall promptly, and in all events within thirty (30) days after the date of damage or destruction, provide written notice of a special Owners' meeting to consider Repair and Restoration of such damage or destruction, which notice shall be delivered with the notice required to be provided under Section 14.2 above. If the Board fails to do so within said thirty (30) day period, then notwithstanding the provisions of this Declaration or the Bylaws with respect to calling special meetings, any Owner

or first Mortgagee may within fifteen (15) days of the expiration of said thirty (30) day period, or receipt of the notice required to be provided by the Board under Section 14.2 above, whichever is less, call a special meeting of the Owners to consider Repair and Restoration of such damage or destruction by providing written notice of such meeting to all Owners and first Mortgagees. Any meeting held pursuant to this Section 14.6 shall be called by written notice and shall be convened not less than ten (10) nor more than twenty (20) days from the date of such notice of meeting.

14.6.2 Except for Emergency Work no repair and restoration work shall be commenced until the conclusion of the special Owners' meeting required under subsection 14.6.1.

14.6.3 A concurrence in writing of more than seventy-five (75) percent of the first Mortgagees (based upon one vote for each first Mortgage owned), and Owners (other than the sponsor, developer, or builder) of the individual Units will be required to avoid the provisions of Section 14.4 and to determine not to Repair and Restore the damage and destruction; provided, however, that the failure to obtain said seventy-five (75) percent concurrence in writing shall be deemed a decision to Rebuild and Restore the damage and destruction in accordance with the original plans, as amended by subsequent amendments, if any; provided, further, that the failure of the Board, or Owners or first Mortgagees, to convene the special meeting required under Section 14.6.1 within ninety (90) days after the date of damage or destruction shall be deemed a unanimous decision to undertake such Repair and Restoration work.

#### 14.7 Decision Not to Restore: Disposition

In the event of a decision under either subsections 14.5.3 or 14.6.3 not to Repair and Restore damage and destruction, the Board may nevertheless expend such of the insurance proceeds and Common Funds as the Board deems reasonably necessary for Emergency Work (which Emergency Work may include but is not necessarily limited to removal of the damaged or destroyed buildings and clearing, filling and grading the real property), and the remaining funds, if any, and Property shall thereafter be held and distributed as follows:

14.7.1 The Property shall be owned in common by the Unit Owners and shall no longer be subject to this Declaration or to Condominium ownership;

14.7.2 The undivided interest in the Property owned in common which appertains to each Unit Owner shall be the percentage of undivided interest previously owned by such Owner in the Common Areas;

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14.7.3 Any Mortgages or liens affecting any of the Units shall be deemed transferred in accordance with the existing priorities to the percentage of the undivided interest of the Unit Owner in the property as provided herein; and

14.7.4 The Property shall be subject to an action for partition at the suit of any Unit Owner, in which event the net proceeds of sale, together with the net proceeds of the insurance of the Property, if any, shall be considered as one fund; such fund shall be divided into separate shares one for each Unit Owner in a percentage equal to the percentage of undivided interest owned by each such Owner in the Property; then, after first paying out of the respective share of each Unit Owner, to the extent sufficient for the purposes, all Mortgages and liens on the undivided interest in the Property owned by such Unit Owner, the balance remaining in each share shall then be distributed to each Unit Owner respectively.

#### 14.8 Miscellaneous

The provisions of this Article 14 shall constitute the procedure by which a determination is made by the Unit Owners to Repair, Restore, Reconstruct or Rebuild as provided in the Act. By the act of accepting an interest in the Property, each Unit Owner and party claiming by, through or under such Owner hereby consents and agrees to the provisions hereof. In the event that any provision of this Article 14 shall be determined to be invalid or unenforceable by any court of competent jurisdiction, such determination shall not effect the validity of any other provision of this Declaration. The purpose of this Article 14 shall be to provide a fair and equitable method of allocating the costs of Repair and Restoration and making a determination for Repair and Restoration if all or a portion of the improvements are damaged or destroyed. The provisions of this Article 14 shall be liberally construed to accomplish such purpose. By unanimous vote of the Unit Owners, which vote shall be taken within ninety (90) days after the damage or destruction, the Owners may determine to do otherwise than provided in this Article 14.

### ARTICLE 15

#### CONDEMNATION

##### 15.1 Consequences of Condemnations

If at any time or times during the continuance of the Condominium ownership pursuant to this Declaration, all or any part of the Property shall be taken or condemned by any public authority or sold or otherwise disposed of in lieu of or in avoidance thereof, the provisions of this Article 15 shall apply. The Board shall provide each Owner, and each first Mortgagee with a written

notice of the commencement of any such condemnation proceeding, and of any proposed sale or disposition in lieu thereof, in advance of such proceeding or sale.

#### 15.2 Proceeds

All compensation, damage, or other proceeds therefrom, the sum of which is hereinafter called the "Condemnation Award," shall be payable to the Association.

#### 15.3 Complete Taking

In the event that the entire Property is taken or condemned, or sold or otherwise disposed of in lieu of or in avoidance thereof, the Condominium ownership pursuant thereto shall terminate. The Condemnation Award shall be apportioned among the Owners in proportion to the respective undivided interest in the Common Element; provided, that if a standard different from the value of the Property as a whole is employed to measure the Condemnation Award in the negotiation, judicial decree, or otherwise, then in determining such shares the same standard shall be employed to the extent it is relevant and applicable. On the basis of the foregoing principal, the Board shall as soon as practicable determine the share of the Condemnation Award to which each Owner is entitled. After first paying out of the respective share of each Owner, to the extent sufficient for the purpose, all Mortgages and liens on the interest of such Owner, the balance remaining in each share shall then be distributed to each Owner respectively.

#### 15.4 Partial Taking

In the event that less than the entire Property is taken or condemned, or sold or otherwise disposed of in lieu of or in avoidance thereof, the condominium ownership hereunder shall not terminate. Each Owner shall be entitled to a share of the Condemnation Award to be determined in the following manner:

15.4.1 As soon as practicable the Board shall, reasonably and in good faith, allocate the Condemnation Award between compensation, damages, or other proceeds.

15.4.2 The Board shall apportion the amounts so allocated to taking of or injury to the Common Elements which in turn shall be apportioned among Owners in proportion to their respective undivided interests in the Common Elements.

15.4.3 The total amount allocated to severance damages shall be apportioned to those Units which were not taken or condemned.

15.4.4 The respective amounts allocated to the taking of or injury to a particular Unit and/or improvements as Owner had made within his own Unit shall be apportioned to the particular Unit involved.

15.4.5 The amount allocated to consequential damages and any other takings or injuries shall be apportioned as the Board determines to be equitable in the circumstances.

15.4.6 If an allocation of the Condemnation Award is already established in negotiation, judicial decree, or otherwise, then in allocating the Condemnation Award the Board shall employ such allocation to the extent it is relevant and applicable.

15.4.7 Distribution of apportioned proceeds shall be made to the respective owners and their respective Mortgagees in the manner provided in Section 15.3.

#### 15.5 Reductions of Condominium Upon Partial Taking

In the event that (a) a partial taking occurs which pursuant to Section 15.4 does not result in a termination of condominium ownership hereunder, and (b) at least one (1) Unit is taken or condemned and (c) the condemning authority elects not to hold, use and own said Unit as a Condominium Unit Owner subject to and in accordance with the Declaration, then the provisions of this Section 15.5 shall take effect immediately upon the condemning authority taking possession of the Unit or Units so taken or condemned:

15.5.1 The Units subject to this Declaration shall be reduced to those Units not taken or condemned (or not sold or otherwise disposed of in lieu of or in avoidance thereof).

15.5.2 The general Common Elements subject to this Declaration shall be reduced to that Common Element not so taken or condemned.

15.5.3 The Limited Common Elements, which were not taken or condemned, but which were appurtenant to Units that were taken or condemned, shall be deemed part of the general Common Elements remaining subject to this Declaration.

15.5.4 The percentage of undivided interest in the Common Elements appurtenant to each Unit not so taken or condemned shall be recalculated on the basis that the value of each of said Units shall remain the same as set forth in Schedule B and that value of the entire Property not so taken or condemned shall be the aggregate of said values of said Units.

15.5.5 Except with respect to the share of proceeds apportioned pursuant to Section 15.4, no Owner or Mortgagee of a



Unit so taken or condemned shall have, nor shall there be appurtenant to any Unit so taken or condemned, any right, title, interest, privilege, duty or obligation in, to or with respect to the Association and any Unit, Common Element or Limited Common Element which remains subject to this Declaration and which is not so taken or condemned.

15.5.6 Except as otherwise expressly provided in Section 15.5, the rights, title, interest, privileges, duties and obligations of an Owner and Mortgagee in, to or with respect to a Unit not so taken or condemned (and in, to or with respect to the Association and the Common Elements and Limited Common Elements appurtenant to said Unit) shall continue in full force and effect as provided in this Declaration.

15.5.7 The provisions of Section 15.5 shall be binding upon and inure to the benefit of all Owners and Mortgagees of (and other persons having or claiming to have any interest in all Units which are, as well as all Units which are not, so taken or condemned. All such Owners, Mortgagees and other persons covenant to execute and deliver any documents, agreements or instruments (including, but not limited to, appropriate amendments to the Declaration, Survey Map and Plans) as are reasonably necessary to effectuate the provisions of Section 15.5.

#### 15.6 Reconstruction and Repair

Any reconstruction and repair necessitated by condemnation shall be governed by the procedures specified in Article 14 above, provided that the Board may retain and apply such portion of each Owner's share of the Condemnation Award as is necessary to discharge said Owner's liability for any special assessment arising from the operation of said Article 14.

### ARTICLE 16

#### COMPLIANCE WITH DECLARATION

##### 16.1 Enforcement

Each Owner shall comply strictly with the provisions of this Declaration, the Bylaws and administrative rules and regulations passed hereunder, as the same may be lawfully amended from time to time, and with all decisions adopted pursuant to this Declaration, the Bylaws and administrative rules and regulations. Failure to comply shall be grounds for an action to recover sums due for damages, or injunctive relief, or both, maintainable by the Board (acting through its officers on behalf of the Owners), or by the aggrieved Owner on his own against the party (including an Owner or the Association) failing to comply.

#### 16.2 No Waiver of Strict Performance

The failure of the Board in any one or more instances to insist upon the strict performance of any of the terms, covenants, conditions or restrictions of this Declaration, or of the Bylaws, or to exercise any right or option contained in such documents, or to serve any notice or to institute any action, shall not be construed as a waiver or a relinquishment for the future of such term, covenant, condition or restriction, but such term, covenant, condition or restriction shall remain in full force and effect. The receipt by the Board of any assessment from an Owner, with knowledge of any such breach shall not be deemed a waiver of such breach, and no waiver by the Board of any provision hereof shall be deemed to have been made unless expressed in writing and signed by the Board. This section also extends to: the Manager; and to Declarant or Declarant's managing agent, exercising the powers of the Board during the initial period of operation of the Association and the Condominium development.

### ARTICLE 17

#### LIMITATION OF LIABILITY

##### 17.1 Liability for Utility Failure, etc.

Except to the extent covered by insurance obtained by the Board pursuant to Article 13, neither the Association nor the Board nor the Manager (or the Declarant or Declarant's managing agent exercising the powers of the Board) shall be liable for: any failure of any utility or other service to be obtained and paid for by the Board; or for injury or damage to person or property caused by the elements, or resulting from electricity, noise, smoke, water, rain, (or other liquid), dust or sand which may lead of flow from outside or from any parts of the buildings, or from any of its pipes, drains, conduits, appliances, or equipment, or from any other places; or for inconvenience or discomfort resulting from any action taken to comply with any law, ordinance or orders of a governmental authority. No diminution or abatement of Common Expense assessments shall be claimed or allowed for any such utility or service failure, or for such injury or damage, or for such inconvenience or discomfort.

##### 17.2 No Personal Liability

So long as a Board member, or Association committee member, or Association officer, or Declarant or Declarant's managing agent exercising the powers of the Board, has acted in good faith, without willful or intentional misconduct, upon the basis of such information as may be possessed by such person, then no such person shall be personally liable to any Owner, or to any other party, including the Association, for any damage, loss or prejudice

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suffered or claimed on account of any act, omission, error or negligence of such person; provided, that this section shall not apply where the consequences of such act, omission, error or negligence are covered by insurance obtained by the Board pursuant to Article 13.

#### 17.3 Indemnification of Board Members

Each Board member or Association committee member, or Association officer, or Declarant or Declarant's managing agent exercising the powers of the Board, shall be indemnified by the owners against all expenses and liabilities, including attorney's fees, reasonably incurred by or imposed in connection with any proceeding to which he may be a party, or in which they may become involved, by reason of being of having held such position, or any settlement thereof, whether or not he holds such position at the time such expenses or liabilities are incurred, except in such cases wherein such person is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided, that, in the event of a settlement, the indemnification shall apply only when the Board approves such settlement and reimbursement as being for the best interest of the Association.

### ARTICLE 18

#### MORTGAGEE PROTECTION

##### 18.1 Priority of Mortgages

Notwithstanding all other provisions hereof and as provided in the Act, the liens created under this Declaration upon any Unit for assessments shall be subject to tax liens on the Unit in favor of any assessing unit and/or special district and be subject to the rights of the secured party in the case of any indebtedness secured by Mortgages which were made in good faith and for value upon the Unit. Where such Mortgagee of the Unit, or other purchaser of a Unit, obtains possession of a Unit as a result of mortgage foreclosure or deed in lieu thereof, such possessor and his successors and assigns, shall not be liable for the share of the Common Expenses or assessments by the Association chargeable to such Unit which become due prior to such possession, but will be liable for the Common Expenses and assessments accruing only after such possession. Such unpaid share of Common Expenses of the Unit Owners including such possessor, his successor and assigns. For the purpose of this section, the term "mortgages" and "mortgagees" shall not mean real estate contracts or the vendor, or the designee of a vendor of a real estate contract.

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#### 18.2 Change in Manager

In the event that professional management is employed by the Association, at least thirty (30) days notice of any contemplated change in the professional manager (and any agreement for the providing of goods and/or services between the Association and the Declarant) shall: permit cancellation by the Association for cause upon thirty (30) days written notice; permit termination by either party without cause and without penalty or payment of a termination fee on ninety (90) days or less written notice; and have a term not in excess of one (1) year, renewable by agreement of the parties for successive one-year periods. The Association shall not elect to terminate professional management and assume self-management without the prior written approval of seventy-five (75%) percent of the Owners and of all first mortgagees (based upon one vote for each first Mortgage owned); provided that such prior consent shall not be required to change from one professional manager to another professional manager.

#### 18.3 Abandonment of Condominium Status

Except when acting pursuant to the provisions of the Act involving damage, destruction, or condemnation, the Association shall not, without prior written approval of one hundred (100%) percent of all first Mortgagees (based upon one vote for each first Mortgage owned) and Owners (other than the sponsor, developer or builder) of record of the Units, seek by act or omission to abandon or terminate the condominium status of the project; or without seventy-five (75%) percent of all first Mortgagees (based upon one vote for each first mortgage owned) and Owners (other than the sponsor, developer or builder) of record of the Units, seek by act or omission to abandon, encumber, sell or transfer any of the Common Elements.

#### 18.4 Partitions and Subdivision

The Association shall not combine nor subdivide any Unit or the appurtenant Limited Common Elements, nor abandon, partition, subdivide, encumber or sell any Common Elements, or accept any proposal so to do, without the prior written approval of seventy-five (75%) percent of all first Mortgagees (based upon one vote for each first Mortgage owned) or Owners (other than the sponsor, developer or builder) of record of the Units, and without unanimous approval of the first Mortgagee(s) and Owner(s) of the Unit(s) so affected.

#### 18.5 Change in Percentages

The Association shall not make any Material Amendment (as defined in Section 21.1) to the Declaration or Bylaws (including changes in the percentages of interest in the Common Elements)

without the prior written approval of seventy-five (75%) percent of all first Mortgagees (based upon one vote for each first Mortgage owned) or Owners (other than the sponsor, developer or builder) of record of the Units, and without unanimous approval of the Mortgagee(s) and Owner(s) of the Unit(s) for which the percentage(s) would be changed.

#### 18.6 Copies of Notices

Written notice that an Owner/Mortgagor of a Unit has for more than sixty (60) days failed to meet any obligation under the Condominium documents shall be given by the Association to the first Mortgagee of such Unit. Any first Mortgagee shall, upon request, be entitled to receive written notice of: all meetings of the Association and be permitted to designate a representative to attend all such meetings; any condemnation loss or casualty loss affecting a material portion of the Property or the Unit on which it hold a Mortgage; any lapse, cancellation or material modification of insurance policies or fidelity bonds maintained by the Association.

#### 18.7 Effect of Declaration Amendments

No amendment of this Declaration shall be effective to modify, change, limit or alter the rights expressly conferred upon Mortgagees in this instrument with respect to any unsatisfied Mortgage duly recorded unless the amendment shall be consented to in writing by the holder of such Mortgage. Any provision of this Declaration conferring rights upon Mortgagees, which is inconsistent with any other provision of said Declaration or the Bylaws shall control over such other inconsistent provisions.

#### 18.8 Insurance

18.8.1 With respect to a first Mortgagee of a Unit, the Board shall:

(a) Furnish such Mortgagee with a copy of any insurance policy or evidence thereof which is intended to cover the Unit on which such Mortgagee has a lien;

(b) Require any insurance carrier to give the Board and any and all insured (including such Mortgagees) at least thirty (30) days written notice before canceling, reducing the coverage or limits or otherwise substantially modifying any insurance with respect to the Property on which the Mortgagee has a lien (including cancellation for a premium non-payment);

(c) Not make any settlement of any insurance claims for loss or damage to any such Unit, Common or Limited Common Element exceeding Five Thousand (\$5,000.00) Dollars without the approval of such Mortgagee; provided, that the withholding of such approval

shall not be unreasonable or in conflict with the provisions of Article 14;

(d) Give such Mortgagee written notice of any loss or taking affecting Common Elements, if such loss or taking exceeds Ten Thousand (\$10,000.00) Dollars;

(e) Give such Mortgagee written notice of any loss, damage or taking affecting any Unit or Limited Common Elements in which it has an interest, if such loss, damage or taking exceeds One Thousand (\$1,000.00) Dollars;

18.8.2 In addition, the insurance policy acquired shall:

(a) Provide that any reference to a Mortgagee in such policy shall mean and include all holders of Mortgages of any Unit or Unit lease, in their respective order and preference, whether or not named therein;

(b) Provide that such insurance as to the interest of any Mortgagee shall not be invalidated by any act or neglect of the Board or Unit Owners or any persons claiming under any of them;

(c) Waive any provision invalidating such Mortgage clause by reason of: the failure of any Mortgagee to notify the insurer of any hazardous use or vacancy; and requirement that the Mortgagee pay any premium thereon; and any contribution clause.

#### 18.9 Inspection of Books

Owners, first Mortgagees, insurers and guarantors of the first Mortgage on any Unit shall be entitled by the Owner's Association: to inspect at all reasonable hours of week days (or under other reasonable circumstances) all of the books and records of the Association including current copies of the Declaration, Bylaws and other rules governing the Condominium, and other books, records and financial statements of the Owners' Association (with a reasonable time following request); and, upon written request of any holder, insurer or guarantor of a first Mortgage at no cost to the party so requesting (or if this project contains less than fifty (50) Units, upon the written request of the holders of fifty-one (51%) percent or more of first Mortgages at their expense if an audited statement is not otherwise available), to receive an annual audited financial statement of the Association within ninety (90) days following the end of any fiscal year of the Association. The Owners' Association shall also make available to prospective purchasers current copies of the Declaration, Bylaws, and other rules governing the Condominium, and the most recent annual audited financial statement, if such is prepared.

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18.10 Obtaining Declarant's Powers

In the event the Mortgagee of the Condominium becomes bound by this Declaration by granting one or more partial releases or otherwise, and forecloses its Mortgage or acquires a deed in lieu of foreclosure and obtains possessory rights, legal title, or certificates of sale of the unsold Unit or Units and appurtenant Common Elements covered by the respective deed of trust or mortgage liens, then the Mortgagee of the Condominium may succeed to and assume, to the exclusion of the Declarant, the powers of the Declarant as set forth in this Declaration.

18.11 Receiver Appointed by Condominium Mortgagee

The Mortgage of the Condominium shall be entitled to appoint a receiver during the pendency of any foreclosure and said receiver shall immediately, upon appointment, succeed to and assume the rights and powers of the Declarant as set forth in this Declaration, and receiver shall be entitled to sell unsold Condominium Units.

ARTICLE 19

EASEMENTS

19.1 General

It is intended that in addition to rights under the Act, each Unit has an easement in and through each other Unit and the Common and Limited Common Elements for all support elements and utility, wiring, heat and service elements, and for reasonable access thereto, as required to effectuate and continue proper operation of this Condominium plan. Without limiting the generality of the foregoing, each Unit and all Common and Limited Common Elements is specifically subject to an easement for the benefit of each of the other Units in the Building for all duct work for the several Units, and for heating, ventilation, air conditioning and fireplaces and associated flues or chimneys. In addition, each Unit and all the Common and Limited Common Elements is specifically subject to easements as required for the intercom and electrical entry system, if any, for the electrical wiring and plumbing, for the air conditioning lines and equipment, if any, for each Unit, for the vacuum system roughed-in in each Unit, if any, and for the master antenna cable system, if any. Finally, each Unit as it is constructed is granted an easement to which each other Unit and all Common and Limited Common Element is subject to the location and maintenance of all the original equipment and facilities and utilities for such Unit. The specific mention or reservation of any easement in this Declaration does not limit or negate the general easement for Common Elements reserved by law.

#### 19.2 Utility, etc., Easements

The Board, on behalf of the Association and all members thereof, shall have authority to grant utility, road and similar easements, licenses and permits, under, through or over the Common Element, which easements the board determines are reasonably necessary to the ongoing development and operation of the Property. Cascade Natural Gas Company is hereby granted an easement through all Common Elements to provide natural gas to the property and its units subject to approval of specific location of gas service by the Declarant and/or the Board of Directors of the Association.

#### 19.3 Association Functions

There is hereby reserved to Declarant and the Association, or their duly authorized agents and representatives, such easements as are necessary, for emergency repairs and/or to perform the duties and obligations of the Association as are set forth in the Declaration, or in the Bylaws, and the Association Rules.

#### 19.4 Encroachments

Each Unit and all Common and Limited Common Element is hereby declared to have an easement over all adjoining Units and Common and Limited Common Element, for the purpose of accommodating any encroachment due to engineering errors, errors in original construction, reconstruction, repair, settlement or shifting or movement of any portion of the Building, or any other similar cause, and any encroachment due to building overhang or projection. There shall be valid easements for the maintenance of said encroachments so long as they shall exist, and the rights and obligations of Owners shall not be altered in any way by said encroachment, settling or shifting; provided, however, that in no event shall a valid easement for encroachment be created in favor of an Owner or Owners if said encroachment occurred due to the willful act or acts with full knowledge of said Owner or Owners. In the event a Unit or Common or Limited Common Element is partially or totally destroyed, and then repaired or rebuilt, the Owners agree that minor encroachments over adjoining Units and Common and Limited Common Elements shall be permitted, and that there shall be valid easements for the maintenance of said encroachments so long as they shall exist. The foregoing encroachments shall not be construed to be encumbrances affecting the marketability of title to any Unit.

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## ARTICLE 20

### PROCEDURES FOR SUBDIVIDING OR COMBINING

#### 20.1 Procedure

Subdivision and/or combining of any Unit or Units, Common Elements or Limited Common Elements are authorized only as follows:

20.1.1 Any Owner of any Unit or Units may propose any subdividing or combining of a Unit or Units, and appurtenant Common Elements or Limited Common Elements in writing, together with complete plans and specifications for accomplishing the same and a proposed amendment to the Declaration, Survey Map and Plans covering such subdividing or combining, to the Board, which shall then notify all other Unit Owners of the requested subdivision or combination.

20.1.2 Upon written approval of such proposal by seventy-five (75%) percent of the Owners, and upon approval of seventy-five (75%) percent of the first Mortgagees and unanimous prior written approval of the first Mortgagee(s) and Owner(s) of the Unit(s) to be combined or subdivided, the Owner(s) making the proposal may proceed according to such plans and specifications; provided that the Board may in its discretion (but it is not mandatory that the Board exercise this authority) require that the Board administer the work or that provisions for the protection of other Units or Common Elements or reasonable deadlines for completion of the work be inserted in the contracts for the work.

20.1.3 The changes in the Survey Map, if any, and the changes in the Plans and Declaration shall be placed of record as amendments to the Survey Map, Plans, and Declaration of Condominium in accordance with the provisions of Section 21.1

## ARTICLE 21

### AMENDMENT OF DECLARATION, SURVEY MAP, AND PLANS

#### 21.1 Declaration Amendment

Amendments to the Declaration shall be made by an instrument in writing entitled "Amendment to Declaration" which sets forth the entire amendment. Except as otherwise specifically provided for in the Declaration, any proposed amendment must be approved by a majority of the Board prior to its adoption by the Owners. Amendments may be adopted at a meeting of the Owners if seventy-five (75%) percent of the Owners vote for such amendment, or without any meeting if all Owners have been duly notified and seventy-five (75%) percent of the Owners consent in writing to such amendment. In all events, the amendment when adopted shall bear

the signature of the president of the Association and shall be attested by the secretary, who shall state whether the amendment was properly adopted, and shall be acknowledged by them as officers of the Association. Amendments once properly adopted shall be effective upon recording in the appropriate governmental offices. Any Amendment to a provision of the Declaration establishing, providing for, governing or regulating the following (all of which shall be deemed "Material Amendments") shall require the consent of seventy-five (75%) percent of the Owners and seventy-five (75%) percent of the first Mortgagees; voting; assessments, assessment liens or subordination of such liens; reserves for maintenance, repair and replacement of Common Elements; insurance or bonds; use of Common Elements; responsibility for maintenance or repairs; expansion or construction of the project or the addition, annexation or withdrawal of property to or from the project; boundaries of Unit; converting of Units into Common Elements or vice versa; leasing of Units; provisions for benefit of first Mortgagees, or holders, insurers or guarantors of first Mortgages; the interest in Common or Limited Common Elements; or imposition of any right of first refusal or similar restrictions on the right of an Owner to sell, transfer or otherwise convey a Unit; provided, that a Mortgagee who fails to respond within thirty (30) days of a written request to approve an amendment shall be deemed to have approved the request. Any Amendment altering the value of the Property and of each Unit and the percentage of undivided interest in the Common Elements shall require unanimous consent of the Unit Owners. It is specifically covenanted and understood that any amendment to this Declaration properly adopted will be completely effective to amend any or all of the covenants, conditions and restrictions contained herein which may be affected and any or all clauses of this Declaration or Survey Map and Plans unless otherwise specifically provided in the section being amended or the amendment itself.

#### 21.2 Map and Plans Amendment

Except as otherwise provided herein, the Survey Map and Plans may be amended by revised versions or revised portions thereof referred to and described as to affect in an amendment to the Declaration adopted as provided for herein. Copies of any such proposed amendment to the Survey Map and Plans shall be made available for the examination of every Owner. Such amendment to the Survey Map and Plans shall also be effective, once properly adopted, upon recordation in the appropriate county office in conjunction with the Declaration amendment.

#### 21.3 Amendments by Regarding Parking Assignments, Etc.

The Declarant, upon Declarant's sole signature, and as an attorney-in-fact for all Unit Owners with an irrevocable power coupled with an interest, may at any time, until all Units have been sold by Declarant, record an amendment to the Declaration

and/or Survey Map and Plans: showing, correcting or revising the assignment of parking spaces or storage areas to unsold Units; and, during the period of Declarant's management authority provided under Section 10.1, changing the person who is to receive service of process. Any such amendment need be acknowledged only by the Declarant and need not otherwise comply with the requirements of this Article 21.

#### 21.4 Amendment to Conform to Construction

In addition, Declarant, upon Declarant's sole signature, and as attorney-in-fact for all Unit Owners with an irrevocable power coupled with an interest, may at any time, until all Units have been sold by Declarant, file an amendment to the Declaration and to the Survey Map and Plans to conform data depicted therein to improvements as actually constructed and to establish, vacate and relocate utility easements, access road easements and parking areas.

#### 21.5 Amendments to Conform to Lending Guidelines

So long as Declarant continues to own one or more Units, the Declarant, on his sole signature alone, and as an attorney-in-fact for all Unit Owners with an irrevocable power coupled with an interest, may file such amendment to the Declaration and to the Survey Map and Plans as necessary to meet the then requirements of the Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Veteran's Administration, Federal Housing Administration, or similar agencies, institutions, or lenders financing, or title insurance companies insuring, the purchase of a Unit from the Declarant.

#### 21.6 Discontinuance of Condominium

It is further specifically covenanted that any decision or failure to act by the Owners under this Declaration or any applicable provision of law which intends or requires discontinuance of this Condominium or removal of the Property from the provisions of the Act, shall, if such decision or failure to act is sufficient with respect to Horizontal Property Regimes under the Act, also terminate and discontinue the effect of any and all of the covenants, conditions, restrictions set forth herein, and all provisions of the Survey Map and Plans, unless other specific provision is made by recorded amendments to the Declaration, and, if required, to the Survey Map and Plans.

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## ARTICLE 22

### MISCELLANEOUS

#### 22.1 Service of Process

The person upon whom process may be served and his address is set forth in Schedule B. After termination of Declarant's management authority under Section 10.1, service of process for the purpose provided in the Act may also be made upon the president of the Association. The Board may at any time designate a new or different person or agency for such purposes by filing an amendment to this Declaration limited to the sole purpose of making such change, and such amendment need only be signed and acknowledged by the then president of the Association. The Declarant may, at any time before the Board is organized, and as provided in Section 21.3, change such designation by amendment to the Declaration signed and acknowledged only by Declarant.

#### 22.2 Notices for All Purposes

22.2.1 Delivery of Notice. Any notice permitted or required to be delivered under the provisions of this Declaration or the Bylaws may be delivered either personally or by mail. If delivery is made by mail, any such notice shall be deemed to have been delivered twenty-four (24) hours after a copy has been deposited in the United States mail, postage prepaid, for first class mail, addressed to the person entitled to such notice at the most recent address given by such person to the Board, in writing, for the purpose of service of such notice, or to the most recent address known to the Board. Notice to the Owner or Owners of any Unit shall be sufficient if mailed to the Unit of such person or persons if no other mailing address has been given to the Board by any of the persons so entitled. Mailing addresses may be changed from time to time by notice in writing to the Board. Notice to be given to the Board may be given to the Declarant until the Board has been constituted and thereafter shall be given to the President or Secretary of the Board.

22.2.2 Mortgagee Notice. Upon written request therefor, and for a period specified in such notice, the Mortgagee of any Unit shall be entitled to be sent a copy of any notices respecting the Unit covered by his security instrument until the request is withdrawn or the security instrument discharged. Such written request may be renewed an unlimited number of times.

#### 22.3 Mortgagee's Acceptance

22.3.1 Priority of Mortgage. This Declaration shall not initially be binding upon any Mortgage of record at the time of recording of said Declaration but rather shall be subject and subordinate to said Mortgage.



22.3.2 Acceptance Upon First Conveyance. Unless otherwise expressly approved by the purchaser of a Unit, Declarant shall not consummate the conveyance of title of such Unit until said Mortgagee shall have accepted the provisions of this Declaration and made appropriate arrangements, in accordance with the Act, for partial release of Units with their appurtenant Limited Common Elements and percentages of interest in Common Elements from the lien of said Mortgage. The issuance and recording of the first such partial release by said Mortgagee shall constitute its acceptance of the provisions of this Declaration and the Condominium status of the Units remaining subject to its Mortgage as well as its acknowledgement that such appropriate arrangements for partial release of Units have been made; provided, that, except as to Units so released, said Mortgage shall remain in full effect as to the entire Property.

22.4 Severability

The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any one provision or portion thereof shall not affect the validity or enforceability of any other provision hereof if the remainder complies with the Act or as covenants effect the common place.

22.5 Conveyances: Notice Required

The right of a Unit Owner to sell, transfer, or otherwise convey the Unit shall not be subject to any right of approval, disapproval, first refusal, or similar restriction by the Association or the Board, or anyone acting on their behalf. An owner intending to sell a Unit shall deliver a written notice to the Board, at least two (2) weeks before closing, specifying: the Unit being sold; the name and address of the purchaser, of the closing agent, and of the title insurance company insuring the purchaser's interest; and the estimated closing date. The Board shall have the right to notify the purchaser, the title insurance company, and the closing agent of the amount of unpaid assessments and charges outstanding against the Unit, whether or not such information is requested. It is understood, however, that a violation of this Section shall not invalidate a sale, transfer or other conveyance of a Unit which is otherwise valid under applicable law.

22.6 Transfer of Declarant's Powers

It is understood that Declarant, at any time in the exercise of its sole discretion, may sell, assign, transfer, encumber, or otherwise convey to any person, upon such terms and conditions as Declarant may determine, all of Declarant's rights, powers, privileges and authority arising hereunder by virtue of Declarant's capacity as Declarant (which rights, powers, privileges and

authority are in addition to those arising from Declarant's ownership of one or more Units).

#### 22.7 Effective Date

The Declaration shall take effect upon recording.

#### 22.8 Reference to Survey Map and Plans

The Survey Map and plans of the Building referred to herein consist of 27 sheets as prepared by Waden Engineering, and were filed with the Recorder of Whatcom County, Washington, simultaneously with the recording of this Declaration under File No. 90 1030215 in Volume of Condominiums, pages 48 through 74.

### ARTICLE 23

#### PHASED DEVELOPMENT

##### 23.1 Development in Phases

23.1.1 This Condominium will be developed and established in more than one (1) phase. This Declaration provides a description of: the land within all phases; the general Common and Limited Common Elements for all phases; and the Units and Buildings in Phase 1. The Survey Map and Plans, filed simultaneously herewith, depict (certified as-built with respect to Phase 1), the following: a survey of the surface of the Phase 1 land; the location of the Phase 1 Buildings; and the plans of the Phase 1 Buildings showing as to each Unit in Phase 1 the vertical and horizontal boundaries, the location of all such Units, and the number and dimensions of all such Units. The provisions regarding Phase 1 shall be effective immediately to establish Phase 1 (include the Phase 1 land and all Units, Buildings and other improvements constructed thereon) as a Condominium under the Act. The provisions regarding subsequent phases shall not be effective to establish subsequent phases (including the land and all Units, Buildings and other improvements constructed thereon) as a Condominium under the Act until Declarant records an amendment to the Declaration (and an amendment to the Survey Map and Plans, if necessary) pursuant to subsection 23.1.2.

23.1.2 For such subsequent phase following Phase 1, the Declarant shall execute and record an amendment to this Declaration stating that said subsequent phase (including the subsequent phase land, and all Units, Buildings and other improvements thereon) is established as a Condominium under the Act. From and after the recording of said amendment, all of the land within Phase 1 and within subsequent phases for which such an amendment has been recorded, together with all Units, Buildings and other improvements

constructed thereon, shall constitute a single Condominium pursuant to the Act and the provisions of this Declaration. In conjunction with said amendment to the Declaration, an updated or revised Survey Map, or Plans, or both, shall be filed if the previous Map and Plans filed affecting or describing said subsequent phase lack required detail, certification or other matters required under the Act.

23.1.3 All Common Elements for each phase will be utilized by Unit Owners of the next succeeding phase as it is established, and the additional Owners will, after the effective date of the subsequent phase, also share in the expenses of such Common Elements. Owners in a prior phase will utilize the Common Elements for the subsequent phases and also share in the expense thereof.

23.1.4 Declarant shall complete subsequent phases in accordance with the plans and specifications prepared from time to time by Declarant's architect and as approved from time to time by governmental authorities having jurisdiction thereof and by the lender or lenders financing the construction of subsequent phases. Improvements within subsequent phases will be reasonably consistent with improvements in prior phases in terms of quality of construction. Completion of subsequent phases will be pursued by Declarant as expeditiously as reasonably possible, subject to delays for reasons (including, but not limited to, financing availability, labor disputes, material shortages, and acts of God) reasonably beyond the control of the Declarant.

#### 23.2 Phase Percentages

It is specifically covenanted that the percentages for Phase 1 are calculated with relation to the total of the values for those Units within Phase 1. At such time as additional phases are made effective by the filing of the above-described Declaration Amendment by Declarant, the percentages thereafter effective shall be those scheduled for each subsequent phase, which are calculated with relation to the total of values of all Units in Phase 1 and those added in each subsequent phase.

#### 23.3 Assessments Based on Percentage for Phases

All assessments for the various phases shall utilize and be based on the percentage stated for that phase until the succeeding phase is activated and commenced. The Declarant or Board may upon the activation of any phase recompute the budget and the assessments, and impose the revised assessments.

#### 23.4 Easements for Phased Development

23.4.1 In addition to the general easements reserved by statute and by reference in other sections of this Declaration, there is reserved a non-exclusive easement in favor of Declarant

(and Declarant's heirs, successors, assigns and purchasers) over and across the Phase 1 land (and across the land hereafter described in Schedule A, as hereafter amended, for any subsequently completed phase) for ingress and egress and over and across easements, roadways, and utility lines specified or established in and for completed phases, and the right to connect thereto is reserved. Such reservations are for the purpose either of completing subsequent phases, or otherwise developing portions of the land for other purposes if not completed as a Condominium phase.

23.4.2 The easements reserved under this Section 23.4 shall entitle the Declarant (and Declarant's heirs, successors, assigns) for development of each successive phase of the Condominium, or for development and utilization of the lands to have been included in any phase if such lands are utilized for other purposes under the powers reserved to Declarant, to tie into water, sewer, storm sewer, electrical, gas, telephone or other utility lines of all varieties, and to connect with roadways or utility systems developed and emplaced in the completed phases of the Condominium; provided, however, that Declarant shall bear the cost of tie-ins to said utilities and roads and will not connect with said utilities in a manner that impairs or significantly reduces the quality of land in a subsequently completed phase; provided further, if said tie-ins cause an increase in the cost of delivering affected utility services to Phase 1 and for land in any subsequently completed phase, that cost shall be borne by the Declarant; and provided further, that any land, which is not developed as a subsequent phase of the condominium and which utilizes and benefits from the utility and roadway easements reserved to Declarant hereunder, shall pursuant to an irrevocable covenant running with the land be obligated to pay a prorata share (based on relative number of living units) of the costs of subsequent repairs, maintenance and operation of said utilities and roadways. Declarant (and Declarant's heirs, successors and assigns) shall have a non-exclusive easement to construct and maintain (at any time and at Declarant's sole cost and expense and in the exercise of Declarant's sole discretion and at such locations within Phase 1 and within any subsequently completed phases of the Condominium as Declarant may determine) such signs as Declarant may deem necessary for the identification of the name, location and direction, and for the sale or renting, of Buildings and Units, regardless of whether such Buildings and Units are located on land which is within a subsequent phase of the Condominium or on land which the Declarant under powers reserved hereunder has elected not to develop as a phase of the Condominium.

#### 23.5 Phased Amendment

It is specifically covenanted and agreed that Declarant, upon Declarant's sole signature, and as attorney-in-fact for all Unit Owners with an irrevocable power coupled with an interest, may file

the amendment to the Declaration ( and to the Survey Map and Plans, if necessary) as provided under subsection 23.1.2, said amendment to contain and depict such information and data as is necessary to establish a subsequent phase as a part of the Condominium development pursuant to the Act. Such amendment will not require the consent of any other Owner other than the Declarant so long as the Property described for the phase and the valued and percentages described for the phase in Schedules A and C hereto are not modified except as provided in said Schedules; provided, however, that market conditions may modify actual selling prices despite the values specified herein; and provided further, that Declarant may in its sole discretion determine the final boundaries for each and every parcel of Property comprising each subsequent phase completed. In all other respects, the proposed location and configuration of Units and Unit Buildings may be changed, and information detailing such changes may be included in Declarant's amendments. Declarant shall execute and record said amendment for each subsequent phase when: (a) the Buildings, Units and other improvements in said phase have been substantially completed to the standards required by the lender or lenders financing construction of said phase; and (b) a sufficient number of Units within said phase have been pre-sold (that is, been made subject to a binding executory contract of sale and purchase) in accordance with the requirements of the lender or lenders financing construction of said phase.

#### 23.6 Liens Arising in Connection with Phases

At the time the amendment incorporating a subsequent phase into the condominium is made, no lien arising in connection with the Declarant's ownership of, and construction of improvements upon, the subsequent phase land will adversely affect the rights of existing Unit Owners or the priority of first Mortgages on Units in the existing Condominium Property. All taxes, assessments, mechanics liens, and other charges affecting a subsequent phase land will be paid or otherwise satisfactorily provided for by the Declarant.

#### 23.7 Withdrawal of Subsequent Phases

If, despite the good faith efforts of Declarant, and for reasons (including, but not limited to, financing availability, labor disputes, material shortages and acts of God) beyond reasonable control of Declarant, all or any of the subsequent phases are not completed and the amendment(s) provided for in Section 23.5 is not recorded, then Declarant at any time may elect not to incorporate all or some of such subsequent phases into the subject Condominium project and elect not to record the amendments provided for in Section 23.5 To effectuate the foregoing, Declarant, upon its sole signature and without further consent of any of the other Owners being required, and as an attorney-in-fact for all Unit Owners with an irrevocable power coupled with an

interest, may file such amendment to this Declaration and to the Survey Map and Plans as is necessary to withdraw the land within uncompleted phases (and improvements constructed thereon) from the provisions of this Declaration and to relinquish Declarant's rights under this Article 23. In the event Declarant should exercise its rights under this Section 23.7 to withdraw the land within uncompleted phases (and improvements thereon), from the provisions of this Declaration, then: the phases in fact completed shall thereafter continue to constitute a complete, fully operational Condominium; land within uncompleted phases (and improvements thereon) may be used for any other lawful purpose in Declarant's discretion; and the easements provided for in Section 23.4 shall continue for the benefit of easements provided for in Section 23.4 shall continue for the benefit of land within uncompleted phases and Declarant (and its heirs, successors and assigns) for the development and utilization of land within uncompleted phases.

#### 23.8 Binding Effect

The provisions of this Article 23 shall constitute irrevocable covenants running with all of the land described in Schedule A and shall be irrevocably binding upon Declarant (and its heirs, successors and assigns) with respect to all of said land.

#### 23.9 Limitation of Declarant's Rights

23.9.1 The periods referred to in Section 10.2 shall be deemed to commence with the first conveyance of a Unit within Phase 1, and the seventy-five (75%) percent of sales and other percentages of sales referred to in Section 10.2 shall be calculated with reference to all Units in Phase 1 and other subsequent phases in fact completed. It is understood that the total project (if all phases are completed) shall include Condominium residential Units not exceeding in number sixty (60).

23.9.2 At the time of recording this Declaration, Declarant may not have acquired title to or an interest in the land for some or all of the land for phases subsequent to Phase 1. Declarant shall not be entitled to exercise its right to include the land for phases subsequent to Phase 1 (and improvements thereon) as a part of this Condominium until such time as Declarant has acquired title to or an interest in the land necessary for such subsequent phase. Declarant, upon its sole signature and without further consent of any of the other Owners being required, and as attorney-in-fact for all Unit Owners with an irrevocable power coupled with an interest, may file (at any time prior to including each of the subsequent phases in this Condominium) such amendment to this Declaration and to the Survey Map and Plans as is necessary to withdraw the land for phases not completed from the provisions of this Declaration and to relinquish Declarant's rights under this Article 23.

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23.9.3 If the United States Veteran's Administration, Federal Housing Administration and/or Federal National Mortgage Association is involved in the financing of the construction of the Condominium project or the purchase of a Unit located therein, the Declarant covenants to build each phase in accordance with plans approved by said Administration and/or Association office having jurisdiction over the geographical area in which the Condominium project is located, provided such approval is not unreasonably withheld or delayed.

23.9.4 If the United States Veteran's Administration, Federal Housing Administration and/or Federal National Mortgage Association is involved in the financing of the construction of the Condominium project or the purchase of a Unit located therein, the Declarant covenants not to record the Declaration Amendment referred to in Section 23.5 without the prior written approval of said Administration and/or Association office, provided such approval is not unreasonably withheld or delayed.

23.9.5 Declarant's right to add phases by amendments under Section 23.5 shall expire seven (7) years after initial Declaration recording.

DATED this 16 day of October, 1990.

DECLARANT:

TULIP FINANCIAL SERVICES, INC.

By:

James A. Wynstra  
James A. Wynstra, President

STATE OF WASHINGTON )  
COUNTY OF WHATCOM ) ss.

On this 16 day of October, 1990, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared JAMES A. WYNSTRA, to me known to be the President of TULIP FINANCIAL SERVICES, INC., the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute the said instrument and that the seal affixed (if any) is the corporate seal of said corporation.

WITNESS my hand and official seal hereto affixed the day and year first above written.



Ken Holt  
NOTARY PUBLIC in and for the State  
of Washington, residing at Lynden.  
My Commission Expires: 3/16/94

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DECLARATION

SCHEDULE A

1. PHASE 1. Completed and part of the Condominium per Article 23.

LEGAL DESCRIPTION

THAT PORTION OF PARCEL 4, "CORDATA SPECIFIC BINDING SITE PLAN NO. 1", AS PER THE MAP THEREOF RECORDED IN VOLUME 1 OF BINDING SITE PLANS, PAGES 13 TO 15, INCLUSIVE, UNDER AUDITOR'S FILE NO. 1598964, RECORDS OF WHATCOM COUNTY, WASHINGTON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID PARCEL 4; THENCE SOUTH 89 DEGREES 40' 24" EAST ALONG THE SOUTH LINE OF SAID PARCEL 4 AND THE NORTHERLY MARGIN OF JUNE ROAD, 116.83 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 42 DEGREES 28' 00" EAST, 137.64 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 18 DEGREES 10' 14" AND A CENTER BEARING NORTH 10 DEGREES 32' 04" EAST, 130.00 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE 41.23 FEET; THENCE NORTH 28 DEGREES 42' 18" EAST, 40.00 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 49 DEGREES 30' 13" AND A CENTER BEARING NORTH 28 DEGREES 42' 18" EAST, 90.00 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE, 77.76 FEET; THENCE NORTH 72 DEGREES 05' 00" EAST, 101.05 FEET; THENCE NORTH 8 DEGREES 32' 00" EAST, 226.98 FEET; THENCE SOUTH 85 DEGREES 10' 00" EAST, 267.14 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 36 DEGREES 17' 06" AND A CENTER BEARING SOUTH 81 DEGREES 45' 30" WEST, 90.00 FEET; THENCE SOUTHERLY ALONG THE ARC OF SAID CURVE, 57.00 FEET; THENCE SOUTH 61 DEGREES 57' 24" EAST, 40.00 FEET; THENCE SOUTH 28 DEGREES 02' 36" WEST, 47.10 FEET; THENCE SOUTH 75 DEGREES 18' 39" EAST, 113.17 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 38 DEGREES 15' 09" AND A CENTER BEARING SOUTH 51 DEGREES 25' 14" EAST, 340.00 FEET; THENCE SOUTHERLY ALONG THE ARC OF SAID CURVE, 226.99 FEET; THENCE SOUTH 0 DEGREES 19' 36" WEST, 67.27 FEET TO A POINT ON THE ARC OF A TANGENTIAL CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 90 DEGREES 00' 00" AND A CENTER BEARING NORTH 89 DEGREES 40' 24" WEST, 25.00 FEET; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE 39.27 FEET; THENCE NORTH 89 DEGREES 40' 24" WEST, 437.89 FEET TO THE TRUE POINT OF BEGINNING.

SUBJECT TO ALL RESTRICTIONS, COVENANTS, AND EASEMENTS OF RECORDS.

SITUATE IN COUNTY OF WHATCOM, STATE OF WASHINGTON.

CONTAINING 169,725 SQUARE FEET, MORE OR LESS.

DECLARATION

SCHEDULE B

1. Service of Process (initial for association):

Name: James A. Wynstra  
Address: 506 W. Grover Street, Suite 101  
Lynden, WA 98264

2. Public Street to which project has direct access:

Stuart Road, Bellingham, Whatcom County, Washington

3. Building Materials:

Foundation: Concrete Pier and Wood Beam  
Framing: Wood  
Exterior Siding: Cedar  
Roof: Cedar Shakes

4. Recreational Facilities and Amenities (list):

Clubhouse: To be completed before the last unit is completed.

5. Description of Units:

UNIT TYPE	NUMBER OF ROOMS	LIVING SPACE APPROX. SQ.FT.	DESCRIPTION
G	8	1160	Kitchen, dining room, living- room, two bedrooms, two bathrooms, utility room, double attached garage, all on one floor.
H	8	1250	Nook, kitchen, livingroom/ dining room combination, two bedrooms, two bathrooms, utility room, double attached garage, all on one floor.
J	8	1410	Nook, kitchen, livingroom/ dining room combination, two bedrooms, two bathrooms, utility room, double attached garage, all on one floor.
K	9	1760	Nook, kitchen, livingroom/ dining room combination, two bedrooms, two bathrooms, utility room, double attached garage, all on one floor with second story loft.

DECLARATION - SCHEDULE B  
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UNIT TYPE	NUMBER OF ROOMS	LIVING SPACE APPROX. SQ. FT.	DESCRIPTION
L	8	1690	Kitchen, livingroom/ dining room combination, three bedrooms, two bathrooms, utility room, double attached garage, all on one floor.
M	8	1835	Kitchen, livingroom/ dining room combination, three bedrooms, two bathrooms, utility room, double attached garage, all on one floor.

6. Unit Description:

PHASE	UNIT	ADDRESS*	TYPE OF UNIT	NO. PRIMARY BEDROOMS	NO. LEVELS	NO. BUILT-IN FIREPLACES
1	1	5070	M	3	1	1
1	2	5068	K	2	2	
1	3	5066	H	2	1	
1	4	5064	M	3	1	1
1	5	5062	K	2	2	1
1	6	5060	K	2	2	1
1	7	5058	M	2	1	
1	8	5056	L	3	1	1
1	9	5054	L	3	1	
1	10	5051	G	2	1	1
1	11	5053	H	2	1	
1	12	5055	J	2	1	
1	13	5057	J	2	1	1
1	14	5059	M	3	1	1
1	15	5069	H	2	1	1
1	16	5071	G	2	1	
1	17	5073	M	3	1	1
1	18	5075	L	3	1	
1	19	5077	M	3	1	1
1	20	5079	L	2	1	1
1	21	5081	L	2	1	1

\* ALL - Northside Drive, Bellingham, WA 98226

Each unit has two bathrooms and gas heat. Each Unit has four parking spaces; two in the attached garage and two spaces in front of the garage. Each Unit owns 4.7619% of the common element. After Phase two that percentage will decrease to 2.43902. When Phase three is added the final percentage will be further reduced to 1.6667. Declarant reserves the right to build a total of sixty units in this Condominium. Phase two will add twenty units and Phase three will add nineteen units.

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File No: 901030216

7. Special Rights: Their Termination:

All development rights and special Declarant rights terminate on closing of the sale of the last unit in the condominium. Provided that Declarant reserves an easement for itself, its employees, subcontractors and agents to enter common elements and limited common elements and on reasonable notice units until Declarant has fully completed this project. This shall include the right to make reasonable repairs and corrections to defective work.

8. Amendments

Any amendment rights set forth hereinabove are further limited by RCW 64.34.264 if that code provision sets forth higher voting percentages to approve amendments than those set forth in the Declaration.

**FIRST AMENDMENT TO DECLARATION AND COVENANTS, CONDITIONS,  
RESTRICTIONS AND RESERVATIONS FOR THE VILLAGE AT CORDATA,  
NORTHSIDE, A CONDOMINIUM**

Pursuant to Article 23.5 of the "Declaration And Covenants, Conditions, Restrictions, And Reservations For The Village At Cordata, Northside, A Condominium", which was recorded in the office of the Auditor of Whatcom County, Washington, on October 30, 1990, under Whatcom County Auditor File No. 901030216, hereinafter referred to as the "Declaration", the said Declaration is hereby amended to provide for phasing as follows:

1. PHASE 1. Completed and part of the Condominium per Article 23.

**LEGAL DESCRIPTION**

THAT PORTION OF PARCEL 4, "CORDATA SPECIFIC BINDING SITE PLAN NO. 1", AS PER THE MAP THEREOF RECORDED IN VOLUME 1 OF BINDING SITE PLANS, PAGES 13 TO 15, INCLUSIVE, UNDER AUDITOR'S FILE NO. 1598964, RECORDS OF WHATCOM COUNTY, WASHINGTON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID PARCEL 4; THENCE SOUTH 89 DEGREES, 40' 24" EAST ALONG THE SOUTH LINE OF SAID PARCEL 4 AND THE NORTHERLY MARGIN OF JUNE ROAD, 115.83 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 42 DEGREES 28' 00" EAST, 137.64 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 18 DEGREES 10' 14" AND A CENTER BEARING NORTH 10 DEGREES 32' 04" EAST, 130.00 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE 41.23 FEET; THENCE NORTH 28 DEGREES 42' 18" EAST, 40.00 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 49 DEGREES 30' 13" AND A CENTER BEARING NORTH 28 DEGREES 42' 18" EAST, 90.00 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE, 77.76 FEET; THENCE NORTH 72 DEGREES 05' 00" EAST, 101.05 FEET; THENCE NORTH 8 DEGREES 32' 00" EAST, 226.98 FEET; THENCE SOUTH 85 DEGREES 10' 00" EAST, 267.14 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 36 DEGREES 17' 06" AND A CENTER BEARING SOUTH 81 DEGREES 45' 30" WEST, 90.00 FEET; THENCE SOUTHERLY ALONG THE ARC OF SAID CURVE, 57.00 FEET; THENCE SOUTH 61 DEGREES 57' 24" EAST, 40.00 FEET; THENCE SOUTH 28 DEGREES 02' 36" WEST, 47.10 FEET; THENCE SOUTH 75 DEGREES 18' 39" EAST, 113.17 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 38 DEGREES 15' 09" AND A CENTER BEARING SOUTH 51 DEGREES 25' 14" EAST, 340.00 FEET; THENCE SOUTHERLY ALONG THE ARC OF SAID CURVE, 226.99 FEET; THENCE SOUTH 0 DEGREES 19' 36" WEST, 67.27 FEET TO A POINT ON THE ARC OF A TANGENTIAL CURVE TO THE RIGHT



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HAVING A CENTRAL ANGLE OF 90 DEGREES 00' 00" AND A CENTER BEARING NORTH 89 DEGREES 40' 24" WEST, 25.00 FEET; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE 39.27 FEET; THENCE NORTH 89 DEGREES 40' 24" WEST, 437.89 FEET TO THE TRUE POINT OF BEGINNING.

SUBJECT TO ALL RESTRICTIONS, COVENANTS, AND EASEMENTS OF RECORD.  
SITUATE IN COUNTY OF WHATCOM, STATE OF WASHINGTON.  
CONTAINING 169,725 SQUARE FEET, MORE OR LESS.

2. PHASE 2. Completed and part of the Condominium per Article 23.

LEGAL DESCRIPTION

THAT PORTION OF PARCEL 4, "CORDATA SPECIFIC BINDING SITE PLAN NO. 1, AS PER THE MAP THEREOF RECORDED IN VOLUME 1 OF BINDING SITE PLANS, PAGES 13 TO 15, INCLUSIVE, UNDER AUDITOR'S FILE NO. 1598964, RECORDS OF WHATCOM COUNTY, WASHINGTON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID PARCEL 4; THENCE SOUTH 89 DEGREES 40' 24" EAST ALONG THE SOUTH LINE OF SAID PARCEL 4 AND THE NORTHERLY MARGIN OF JUNE ROAD, 116.83 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 42 DEGREES 28' 00" EAST, 137.64 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 18 DEGREES 10' 14" AND A CENTER BEARING NORTH 10 DEGREES 32' 04" EAST, 130.00 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE 41.23 FEET; THENCE NORTH 28 DEGREES 42' 18" EAST, 40.00 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 40 DEGREES 30' 13" AND A CENTER BEARING NORTH 28 DEGREES 42' 18" EAST, 90.00 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE, 77.76 FEET; THENCE NORTH 72 DEGREES 05' 00" EAST, 101.05 FEET; THENCE NORTH 8 DEGREES 32' 00" EAST, 124.93 FEET; THENCE NORTH 57 DEGREES 50' 09" WEST, 133.99 FEET; THENCE NORTH 00 DEGREES 52' 32" EAST, 66.57 FEET; THENCE NORTH 89 DEGREES 07' 28" WEST, 40.00 FEET; THENCE SOUTH 57 DEGREES 00' 45" WEST, 120.43 FEET; THENCE SOUTH 00 DEGREES 52' 32" WEST, 437.90 FEET; THENCE SOUTH 89 DEGREES 40' 24" EAST ALONG THE SOUTH LINE OF SAID PARCEL 4 AND THE NORTHERLY MARGIN OF JUNE ROAD, 116.83 FEET TO THE TRUE POINT OF BEGINNING.

SUBJECT TO ALL RESTRICTIONS, COVENANTS, AND EASEMENTS OF RECORD.

SITUATE IN COUNTY OF WHATCOM, STATE OF WASHINGTON.

CONTAINING 91375 SQUARE FEET, MORE OR LESS.

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3. FUTURE PHASES.

Declarant reserves the right to add future phases which may in Declarant's sole discretion include all or part of the following described real property:

THAT PORTION OF PARCEL 4, "CORDATA SPECIFIC BINDING SITE PLAN NO. 1" AS PER THE MAP THEREOF RECORDED IN VOLUME 1 OF BINDING SITE PLANS, PAGES 13 TO 15, INCLUSIVE, UNDER WHATCOM COUNTY AUDITOR'S FILE NO. 1598964, EXCEPT THE FOLLOWING DESCRIBED REAL PROPERTY:

PHASE 1 AND PHASE 2 AS DESCRIBED ABOVE.

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File No: 910214092

**FIRST AMENDMENT TO DECLARATION**

1. Service of Process (initial for association):

Name: James A. Wynstra  
Address: 506 W. Grover Street, Suite 101  
Lynden, WA 98264

2. Public Street to which project has direct access:

Stuart Road, Bellingham, Whatcom County, Washington

3. Building Materials:

Foundation: Concrete Pier and Wood Beam  
Framing: Wood  
Exterior Siding: Cedar  
Roof: Cedar Shakes

4. Recreational Facilities and Amenities (list):

Clubhouse: To be completed before the last unit is completed.

5. Description of Units:

UNIT TYPE	NUMBER OF ROOMS	LIVING SPACE APPROX. SQ. FT. OD.	DESCRIPTION
G	8	1160	Kitchen, dining room, livingroom, two bedrooms, two bathrooms, utility room, double attached garage, all on one floor.
H	8	1250	Nook, kitchen, livingroom/dining room combination, two bedrooms, two bathrooms, utility room, double attached garage, all on one floor.
J	8	1410	Nook, kitchen, livingroom/dining room combination, two bedrooms, two bathrooms, utility room, double attached garage, all on one floor.
K	9	1760	Nook, kitchen, livingroom/dining room combination, two bedrooms, two bathrooms, utility room, double attached garage, all on one floor with second story loft.

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L	8	1690	Kitchen, livingroom/dining room combination, three bedrooms, two bathrooms, utility room, double attached garage, all on one floor.
M	8	1835	Kitchen, livingroom/dining room combination, three bedrooms, two bathrooms, utility room, double attached garage, all on one floor.

6. Unit Description:

PHASE	UNIT	ADDRESS*	TYPE OF UNIT	NO. PRIMARY BEDROOMS	NO. LEVELS	NO. BUILT-IN FIREPLACES
1	1	5070	M	3	1	1
1	2	5068	K	2	2	0
1	3	5066	H	2	1	0
1	4	5064	M	3	1	1
1	5	5062	K	2	2	1
1	6	5060	K	2	2	1
1	7	5058	M	2	1	0
1	8	5056	L	3	1	1
1	9	5054	L	3	1	0
1	10	5051	G	2	1	1
1	11	5053	H	2	1	0
1	12	5055	J	2	1	0
1	13	5057	J	2	1	1
1	14	5059	M	3	1	1
1	15	5069	H	2	1	1
1	16	5071	G	2	1	0
1	17	5073	M	3	1	1
1	18	5075	L	3	1	0
1	19	5077	M	3	1	1
1	20	5079	L	2	1	1
1	21	5081	L	2	1	1
2	1	5052	H	2	1	0
2	2	5050	K	2	2	0
2	3	5048	M	3	1	0
2	4	5046	M	3	1	1
2	5	5044	G	2	1	1
2	6	5042	K	2	2	1
2	7	5040	K	2	2	1
2	8	5038	L	3	1	1
2	9	5039	J	2	1	1
2	10	5041	H	2	1	0
2	11	5043	J	2	1	1

\*ALL - Northside Drive, Bellingham, WA 98226

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Each unit has two bathrooms and gas heat. Each Unit has four parking spaces; two in the attached garage and two spaces in front of the garage. The percentage of ownership of each unit in the common element is 3.125%. When the project is completed the final percentage will be further reduced to 1.6667%. Declarant reserves the right to build a total of sixty units in this Condominium. Phase two adds eleven units. Later phases will add twenty-eight additional units.

7. Special Rights: Their Termination:

All development rights and special Declarant rights terminate on closing of the sale of the last unit in the condominium. Provided that Declarant reserves an easement for itself, its employees, subcontractors and agents to enter common elements and limited common elements and on reasonable notice units until Declarant has fully completed this project. This shall include the right to make reasonable repairs and corrections to defective work.

8. Amendments:

Any amendment rights set forth hereinabove are further limited by RCW 64.34.264 if that code provision sets forth higher voting percentages to approve amendments than those set forth in the Declaration.

9. Maps and Plans:

The Survey Maps and Plans for the buildings referred to herein with respect to Phase 2 consist of 16 sheets as prepared by Weden Engineering and were filed with the Auditor of Whatcom County, Washington simultaneously with the recording of this amendment under File Number 910214091 in Volume 10 of Condominiums, Pages 33 through 48.

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File No: 910214092

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File No: 910214092

**DECLARANT:**

By: James A. Wynstra  
James A. Wynstra, President

On this 13 day of February, 1991, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared JAMES A. WYNSTRA, to me known to be the President of TULIP FINANCIAL SERVICES, INC., and as Attorney In Fact for all other owners, the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute the said instrument and that the seal affixed (if any) is the corporate seal of said corporation.

NOTARY PUBLIC in and for the State  
of Washington, residing at Lynden.

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**SECOND AMENDMENT TO DECLARATION AND COVENANTS, CONDITIONS, RESTRICTIONS AND RESERVATIONS FOR THE VILLAGE AT CORDATA, NORTHSIDE, A CONDOMINIUM**

Pursuant to Article 23.5, the "Declaration and Covenants, Conditions, Restrictions, and Reservations for the Village at Cordata, Northside, A Condominium", was recorded in the office of the Auditor of Whatcom County, Washington, on October 30, 1990, under Whatcom County Auditor File No. 901030216. The first amendment to the said Declaration was later filed in the office of the Auditor of Whatcom County, Washington, on February 14, 1991, under Whatcom County Auditor File No. 910214092. The said Declaration is hereby amended a second time for the following reasons:

a) Street names and addresses were changed by Whatcom County after filing of the Declaration and First Amendment to the Declaration. These changes are reflected in this Second Amendment to the Declaration;

b) To provide for phasing as follows:

1. PHASE 1. Completed and part of the Condominium per Article 23.

**LEGAL DESCRIPTION**

THAT PORTION OF PARCEL 4, "CORDATA SPECIFIC BINDING SITE PLAN NO. 1", AS PER THE MAP THEREOF RECORDED IN VOLUME 1 OF BINDING SITE PLANS, PAGES 13 TO 15, INCLUSIVE, UNDER AUDITOR'S FILE NO. 1598964, RECORDS OF WHATCOM COUNTY, WASHINGTON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID PARCEL 4; THENCE SOUTH 89 DEGREES 40' 24" EAST ALONG THE SOUTH LINE OF SAID PARCEL 4 AND THE NORTHERLY MARGIN OF JUNE ROAD, 115.83 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 42 DEGREES 28' 00" EAST, 137.64 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 18 DEGREES 10' 14" AND A CENTER BEARING NORTH 10 DEGREES 32' 04" EAST, 130.00 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE 41.23 FEET; THENCE NORTH 28 DEGREES 42' 18" EAST, 40.00 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 49 DEGREES 30' 13" AND A CENTER BEARING NORTH 28 DEGREES 42' 18" EAST, 90.00 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE, 77.76 FEET; THENCE NORTH 72 DEGREES 05' 00" EAST, 101.05 FEET; THENCE NORTH 8 DEGREES 32' 00" EAST, 226.98 FEET; THENCE SOUTH 85 DEGREES 10' 00" EAST, 267.14 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 36 DEGREES 17' 06" AND A CENTER BEARING SOUTH 81 DEGREES 45' 30" WEST, 90.00 FEET; THENCE SOUTHERLY ALONG THE ARC OF SAID CURVE, 57.00 FEET; THENCE SOUTH 61 DEGREES 57' 24" EAST, 40.00 FEET; THENCE SOUTH 28 DEGREES 02' 36" WEST, 47.10 FEET; THENCE SOUTH 75 DEGREES 18' 39" EAST, 113.17 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 38 DEGREES 15' 09" AND A CENTER BEARING SOUTH 51 DEGREES 25' 14" EAST, 340.00 FEET; THENCE SOUTHERLY ALONG THE ARC OF SAID CURVE, 226.99

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File No: 910508093

FEET; THENCE SOUTH 0 DEGREES 19' 36" WEST, 67.27 FEET TO A POINT ON THE ARC OF A TANGENTIAL CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 90 DEGREES 00' 00" AND A CENTER BEARING NORTH 89 DEGREES 40' 24" WEST, 25.00 FEET; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE 39.27 FEET; THENCE NORTH 89 DEGREES 40' 24" WEST, 437.89 FEET TO THE TRUE POINT OF BEGINNING.

SUBJECT TO ALL RESTRICTIONS, COVENANTS, AND EASEMENTS OF RECORD. SITUATE IN COUNTY OF WHATCOM, STATE OF WASHINGTON. CONTAINING 169,725 SQUARE FEET, MORE OR LESS.

2. PHASE 2. Completed and part of the Condominium per Article 23.

LEGAL DESCRIPTION

THAT PORTION OF PARCEL 4, "CORDATA SPECIFIC BINDING SITE PLAN NO. 1, AS PER THE MAP THEREOF RECORDED IN VOLUME 1 OF BINDING SITE PLANS, PAGES 13 TO 15, INCLUSIVE, UNDER AUDITOR'S FILE NO. 1598964, RECORDS OF WHATCOM COUNTY, WASHINGTON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID PARCEL 4; THENCE SOUTH 89 DEGREES 40' 24" EAST ALONG THE SOUTH LINE OF SAID PARCEL 4 AND THE NORTHERLY MARGIN OF JUNE ROAD, 116.83 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 42 DEGREES 28' 00" EAST, 137.64 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 18 DEGREES 10' 14" AND A CENTER BEARING NORTH 10 DEGREES 32' 04" EAST, 130.00 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE 41.23 FEET; THENCE NORTH 28 DEGREES 42' 18" EAST, 40.00 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 40 DEGREES 30' 13" AND A CENTER BEARING NORTH 28 DEGREES 42' 18" EAST, 90.00 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE, 77.76 FEET; THENCE NORTH 72 DEGREES 05' 00" EAST, 101.05 FEET; THENCE NORTH 8 DEGREES 32' 00" EAST, 124.93 FEET; THENCE NORTH 57 DEGREES 50' 09" WEST, 133.99 FEET; THENCE NORTH 00 DEGREES 52' 32" EAST, 66.57 FEET; THENCE NORTH 89 DEGREES 07' 28" WEST, 40.00 FEET; THENCE SOUTH 57 DEGREES 00' 45" WEST, 120.43 FEET; THENCE SOUTH 00 DEGREES 52' 32" WEST, 437.90 FEET; THENCE SOUTH 89 DEGREES 40' 24" EAST ALONG THE SOUTH LINE OF SAID PARCEL 4 AND THE NORTHERLY MARGIN OF JUNE ROAD, 116.83 FEET TO THE TRUE POINT OF BEGINNING.

SUBJECT TO ALL RESTRICTIONS, COVENANTS, AND EASEMENTS OF RECORD. SITUATE IN COUNTY OF WHATCOM, STATE OF WASHINGTON. CONTAINING 91375 SQUARE FEET, MORE OR LESS.

3. PHASE 5. Completed and part of the Condominium per Article 23.

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File No: S10508093

#### LEGAL DESCRIPTION

THAT PORTION OF PARCEL 4, "CORDATA SPECIFIC BINDING SITE PLAN NO. 1", AS PER THE MAP THEREOF RECORDED IN VOLUME 1 OF BINDING SITE PLANS, PAGES 13 TO 15, INCLUSIVE, UNDER AUDITOR'S FILE NO. 1598964, RECORDS OF WHATCOM COUNTY, WASHINGTON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID PARCEL 4 ALSO BEING THE TRUE POINT OF BEGINNING; THENCE NORTH 43 DEGREES 14' 55" WEST ALONG THE EAST LINE OF SAID PARCEL 4, 395.99 FEET; THENCE SOUTH 46 DEGREES 45' 05" WEST, 180.00 FEET; THENCE SOUTH 43 DEGREES 14' 55" EAST, 38.98 FEET; THENCE SOUTH 48 DEGREES 16' 56" WEST, 151.10 FEET; THENCE SOUTH 85 DEGREES 10' 00" EAST, 201.72 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 36 DEGREES 18' 14" AND A CENTER BEARING SOUTH 81 DEGREES 46' 04" WEST, 90.00 FEET; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE 57.03 FEET; THENCE SOUTH 61 DEGREES 57' 24" EAST, 40.00 FEET; THENCE SOUTH 28 DEGREES 02' 36" WEST, 47.10 FEET; THENCE SOUTH 75 DEGREES 18' 39" EAST, 113.17 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 23 DEGREES 01' 46" AND A CENTER BEARING SOUTH 51 DEGREES 25' 14" EAST, 340.00 FEET; THENCE NORTHEASTERLY ALONG THE ARC OF SAID CURVE 136.66 FEET; THENCE NORTH 61 DEGREES 36' 32" EAST, 80.00 FEET TO THE TRUE POINT OF BEGINNING.

SUBJECT TO ALL RESTRICTIONS, COVENANTS, AND EASEMENTS OF RECORD.  
SITUATE IN WHATCOM COUNTY, WASHINGTON.  
CONTAINING 2.06 ACRES MORE OR LESS.

#### 4. FUTURE PHASES.

Declarant reserves the right to add future phases which may in Declarant's sole discretion include all or part of the following described real property:

THAT PORTION OF PARCEL 4, "CORDATA SPECIFIC BINDING SITE PLAN NO. 1" AS PER THE MAP THEREOF RECORDED IN VOLUME 1 OF BINDING SITE PLANS, PAGES 13 TO 15, INCLUSIVE, UNDER WHATCOM COUNTY AUDITOR'S FILE NO. 1598964, EXCEPT THE FOLLOWING DESCRIBED REAL PROPERTY:

PHASE 1, PHASE 2, AND PHASE 5 AS DESCRIBED ABOVE.

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File No: 910508093

## SECOND AMENDMENT TO DECLARATION

### 1. Service of Process (initial for association):

Name: James A. Wynstra  
Address: 506 W. Grover Street, Suite 101  
Lynden, WA 98264

### 2. Public Street to which project has direct access:

Stuart Road, Bellingham, Whatcom County, Washington

### 3. Building Materials:

Foundation: Concrete Pier and Wood Beam  
Framing: Wood  
Exterior Siding: Cedar  
Roof: Cedar Shakes

### 4. Recreational Facilities and Amenities (list):

Clubhouse: To be completed before the last unit is completed.

### 5. Description of Units:

UNIT TYPE	NUMBER OF ROOMS	LIVING SPACE APPROX. SQ.FT.	DESCRIPTION
G	8	1160	Kitchen, dining room, living room, two bedrooms, two bathrooms, utility room, double attached garage, all on one floor.
H	8	1250	Nook, kitchen, living room/dining room combination, two bedrooms, two bathrooms, utility room, double attached garage, all on one floor.
J	8	1410	Nook, kitchen, living room/dining room combination, two bedrooms, two bathrooms, utility room, double attached garage, all on one floor.
K	9	1760	Nook, kitchen, living room/dining room combination, two bedrooms, two bathrooms, utility room, double attached garage, all on one floor with second storey loft.
L	8	1690	Kitchen, living room/dining room combination, three bedrooms, two bathrooms, utility room, double attached garage, all on one floor.

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File No: 910508093

UNIT TYPE	NUMBER OF ROOMS	LIVING SPACE APPROX. SQ.FT.OD.	DESCRIPTION
H	8	1835	Kitchen, living room/dining room combination, three bedrooms, two bathrooms, utility room, double attached garage, all on one floor.

6. Unit Description:

PHASE	UNIT	ADDRESS*	TYPE OF UNIT	NO. PRIMARY BEDROOMS	NO. LEVELS	NO. BUILT-IN FIREPLACES
1	1	1254	M	3	1	1
1	2	1252	K	2	2	0
1	3	1250	H	2	1	0
1	4	1248	M	3	1	1
1	5	1246	K	2	2	1
1	5	1244	K	2	2	1
1	7	1242	M	2	1	0
1	8	1240	L	3	1	1
1	9	1238	L	3	1	0
1	10	1233	G	2	1	1
1	11	1237	H	2	1	0
1	12	1239	J	2	1	0
1	13	1241	J	2	1	1
1	14	1243	M	3	1	1

\*ALL - Northwind Circle, Bellingham, WA 98226

PHASE	UNIT	ADDRESS*	TYPE OF UNIT	NO. PRIMARY BEDROOMS	NO. LEVELS	NO. BUILT-IN FIREPLACES
1	15	5069	H	2	1	1
1	16	5071	G	2	1	0
1	17	5073	M	3	1	1
1	18	5075	L	3	1	0
1	19	5077	M	3	1	1
1	20	5079	L	2	1	1
1	21	5081	L	2	1	1

\*ALL - Northwind Court, Bellingham, WA 98226

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File No: 910508093

PHASE	UNIT	ADDRESS*	TYPE OF UNIT	NO. PRIMARY BEDROOMS	NO. LEVELS	NO. BUILT-IN FIREPLACES
2	1	1236	H	2	1	0
2	2	1234	K	2	2	0
2	3	1232	M	3	1	0
2	4	1230	M	3	1	1
2	5	1228	G	2	1	1
2	6	1226	K	2	2	1
2	7	1224	K	2	2	1
2	8	1222	L	3	1	1
2	9	1227	J	2	1	1
2	10	1229	H	2	1	0
2	11	1231	J	2	1	1
5	1	1268	L	3	1	1
5	2	1266	J	2	1	1
5	3	1264	M	3	1	1
5	4	1262	L	3	1	1
5	5	1260	L	3	1	1
5	6	1258	K	2	2	0
5	7	1256	G	2	1	1
5	8	1261	L	3	1	1
5	9	1265	H	2	1	1

\*ALL - Northwind Circle, Bellingham, WA 98226

Each unit has two bathrooms and gas heat. Each Unit has four parking spaces; two in the attached garage and two spaces in front of the garage. The percentage of ownership of each unit in the common element is 2.439%. When the project is completed the final percentage will be further reduced to 1.6667%. Declarant reserves the right to build a total of sixty units in this Condominium. Phase five adds nine units. Later phases will add nineteen additional units.

7. Special Rights: Their Termination:

All development rights and special Declarant rights terminate on closing of the sale of the last unit in the condominium. Provided that Declarant reserves an easement for itself, its employees, subcontractors and agents to enter common elements and limited common elements and on reasonable notice units until Declarant has fully completed this project. This shall include the right to make reasonable repairs and corrections to defective work.

8. Amendments:

Any amendment rights set forth hereinabove are further limited by RCW 64.34.264 if that code provision sets forth higher voting percentages to approve amendments than those set forth in the Declaration.

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9. Maps and Plans:

The Survey Maps and Plans for the buildings referred to herein with respect to Phase 5 consist of 14 sheets as prepared by Waden Engineering and were filed with the Auditor of Whatcom County, Washington simultaneously with the recording of this amendment under File Number 910508092 in Volume 10 of Condominiums, Pages 103 through 176.

DATED this 7th day of May, 1991.

DECLARANT:

TULIP FINANCIAL SERVICES, INC.  
AS OWNER AND ATTORNEY IN FACT FOR ALL  
OTHER OWNERS

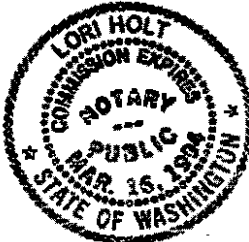
BY:

James A. Wynstra  
James A. Wynstra, President

STATE OF WASHINGTON )  
COUNTY OF WHATCOM ) ss.

On this 7th day of May, 1991, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared JAMES A. WYNSTRA, to me known to be the President of TULIP FINANCIAL SERVICES, INC., and as Attorney in Fact for all other owners, the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute the said instrument and that the seal affixed (if any) is the corporate seal of said corporation.

WITNESS my hand and official seal hereto affixed the day and year first above written.



Lori Holt  
NOTARY PUBLIC in and for the State  
of Washington, residing at Lynden.

My Commission Expires: 3/16/94

WHATCOM COUNTY  
BELLINGHAM, WA  
05/02/91 3:36 PM  
REQUEST OF: /MLT  
Shirley Forslof, AUDITOR  
BY: RAW, DEPUTY  
\$13.00 AM/RC.

**THIRD AMENDMENT TO DECLARATION AND COVENANTS, CONDITIONS, RESTRICTIONS  
AND RESERVATIONS FOR THE VILLAGE AT CORDATA, NORTHSIDE, A CONDOMINIUM**

Pursuant to Article 23.5, the "Declaration and Covenants, Conditions, Restrictions, and Reservations for the Village at Cordata, Northside, A Condominium", was recorded in the office of the Auditor of Whatcom County, Washington, on October 30, 1990, under Whatcom County Auditor File No. 901030216. The first amendment to the said Declaration was later filed in the office of the Auditor of Whatcom County, Washington, on February 14, 1991, under Whatcom County Auditor File No. 910214092. The second amendment to the said Declaration was later filed in the office of the Auditor of Whatcom County, Washington, on May 8th, 1991, under Whatcom County Auditor File No. 910508092. The said Declaration is hereby amended a third time to provide for phasing as follows:

1. PHASE 1. Completed and part of the Condominium per Article 23.

**LEGAL DESCRIPTION**

THAT PORTION OF PARCEL 4, "CORDATA SPECIFIC BINDING SITE PLAN NO. 1", AS PER THE MAP THEREOF RECORDED IN VOLUME 1 OF BINDING SITE PLANS, PAGES 13 TO 15, INCLUSIVE, UNDER AUDITOR'S FILE NO. 1598964, RECORDS OF WHATCOM COUNTY, WASHINGTON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID PARCEL 4; THENCE SOUTH 89 DEGREES 40' 24" EAST ALONG THE SOUTH LINE OF SAID PARCEL 4 AND THE NORTHERLY MARGIN OF JUNE ROAD, 115.83 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 42 DEGREES 28' 00" EAST, 137.64 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 18 DEGREES 10' 14" AND A CENTER BEARING NORTH 10 DEGREES 32' 04" EAST, 130.00 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE 41.23 FEET; THENCE NORTH 28 DEGREES 42' 18" EAST, 40.00 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 49 DEGREES 30' 13" AND A CENTER BEARING NORTH 28 DEGREES 42' 18" EAST, 90.00 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE, 77.76 FEET; THENCE NORTH 72 DEGREES 05' 00" EAST, 101.05 FEET; THENCE NORTH 8 DEGREES 32' 00" EAST, 226.98 FEET; THENCE SOUTH 85 DEGREES 10' 00" EAST, 267.14 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 36 DEGREES 17' 06" AND A CENTER BEARING SOUTH 81 DEGREES 45' 30" WEST, 90.00 FEET; THENCE SOUTHERLY ALONG THE ARC OF SAID CURVE, 57.00 FEET; THENCE SOUTH 61 DEGREES 57' 24" EAST, 40.00 FEET; THENCE SOUTH 28 DEGREES 02' 36" WEST, 47.10 FEET; THENCE SOUTH 75 DEGREES 18' 39" EAST, 113.17 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 38 DEGREES 13' 09" AND A CENTER BEARING SOUTH 51 DEGREES 25' 14" EAST, 340.00 FEET; THENCE SOUTHERLY ALONG THE ARC OF SAID CURVE, 226.99 FEET; THENCE SOUTH 0 DEGREES 19' 36" WEST, 67.27 FEET TO A POINT ON THE ARC OF A TANGENTIAL CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 90 DEGREES 00' 00" AND A CENTER BEARING NORTH 89 DEGREES 40' 24" WEST, 25.00 FEET; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE 39.27

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FEET; THENCE NORTH 89 DEGREES 40' 24" WEST, 437.89 FEET TO THE TRUE POINT OF BEGINNING.

SUBJECT TO ALL RESTRICTIONS, COVENANTS, AND EASEMENTS OF RECORD.  
SITUATE IN COUNTY OF WHATCOM, STATE OF WASHINGTON.  
CONTAINING 169,725 SQUARE FEET, MORE OR LESS.

2. PHASE 2. Completed and part of the Condominium per Article 23.

LEGAL DESCRIPTION

THAT PORTION OF PARCEL 4, "CORDATA SPECIFIC BINDING SITE PLAN NO. 1, AS PER THE MAP THEREOF RECORDED IN VOLUME 1 OF BINDING SITE PLANS, PAGES 13 TO 15, INCLUSIVE, UNDER AUDITOR'S FILE NO. 1598964, RECORDS OF WHATCOM COUNTY, WASHINGTON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID PARCEL 4; THENCE SOUTH 89 DEGREES 40' 24" EAST ALONG THE SOUTH LINE OF SAID PARCEL 4 AND THE NORTHERLY MARGIN OF JUNE ROAD, 116.83 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 42 DEGREES 28' 00" EAST, 137.64 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 18 DEGREES 10' 14" AND A CENTER BEARING NORTH 10 DEGREES 32' 04" EAST, 130.00 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE 41.23 FEET; THENCE NORTH 28 DEGREES 42' 18" EAST, 40.00 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 40 DEGREES 30' 13" AND A CENTER BEARING NORTH 28 DEGREES 42' 18" EAST, 90.00 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE, 77.76 FEET; THENCE NORTH 72 DEGREES 05' 00" EAST, 101.05 FEET; THENCE NORTH 8 DEGREES 32' 00" EAST, 124.93 FEET; THENCE NORTH 57 DEGREES 50' 09" WEST, 133.99 FEET; THENCE NORTH 00 DEGREES 52' 32" EAST, 66.57 FEET; THENCE NORTH 89 DEGREES 07' 28" WEST, 40.00 FEET; THENCE SOUTH 57 DEGREES 00' 45" WEST, 120.43 FEET; THENCE SOUTH 00 DEGREES 52' 32" WEST, 437.90 FEET; THENCE SOUTH 89 DEGREES 40' 24" EAST ALONG THE SOUTH LINE OF SAID PARCEL 4 AND THE NORTHERLY MARGIN OF JUNE ROAD, 116.83 FEET TO THE TRUE POINT OF BEGINNING.

SUBJECT TO ALL RESTRICTIONS, COVENANTS, AND EASEMENTS OF RECORD.  
SITUATE IN COUNTY OF WHATCOM, STATE OF WASHINGTON.  
CONTAINING 91,375 SQUARE FEET, MORE OR LESS.

3. PHASE 5. Completed and part of the Condominium per Article 23.

LEGAL DESCRIPTION

THAT PORTION OF PARCEL 4, "CORDATA SPECIFIC BINDING SITE PLAN NO. 1", AS PER THE MAP THEREOF RECORDED IN VOLUME 1 OF BINDING SITE PLANS, PAGES 13 TO 15, INCLUSIVE, UNDER AUDITOR'S FILE NO. 1598964, RECORDS OF WHATCOM COUNTY, WASHINGTON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

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COMMENCING AT THE SOUTHEAST CORNER OF SAID PARCEL 4 ALSO BEING THE TRUE POINT OF BEGINNING; THENCE NORTH 43 DEGREES 14' 55" WEST ALONG THE EAST LINE OF SAID PARCEL 4, 395.99 FEET; THENCE SOUTH 46 DEGREES 45' 05" WEST, 180.00 FEET; THENCE SOUTH 43 DEGREES 14' 55" EAST, 38.98 FEET; THENCE SOUTH 48 DEGREES 16' 56" WEST, 151.10 FEET; THENCE SOUTH 85 DEGREES 10' 00" EAST, 201.72 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 36 DEGREES 18' 14" AND A CENTER BEARING SOUTH 81 DEGREES 46' 04" WEST, 90.00 FEET; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE 57.03 FEET; THENCE SOUTH 61 DEGREES 57' 24" EAST, 40.00 FEET; THENCE SOUTH 28 DEGREES 02' 36" WEST, 47.10 FEET; THENCE SOUTH 75 DEGREES 18' 39" EAST, 113.17 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 23 DEGREES 01' 46" AND A CENTER BEARING SOUTH 51 DEGREES 25' 14" EAST, 340.00 FEET; THENCE NORTHEASTERLY ALONG THE ARC OF SAID CURVE 136.66 FEET; THENCE NORTH 61 DEGREES 36' 32" EAST, 80.00 FEET TO THE TRUE POINT OF BEGINNING.

SUBJECT TO ALL RESTRICTIONS, COVENANTS, AND EASEMENTS OF RECORD.  
SITUATE IN WHATCOM COUNTY, WASHINGTON.  
CONTAINING 2.06 ACRES MORE OR LESS.

4. PHASE 4. Completed and part of the condominium per Article 23.

THAT PORTION OF PARCEL 4, "CORDATA SPECIFIC BINDING SITE PLAN NO. 1" AS PER THE MAP THEREOF RECORDED IN VOLUME 1 OF BINDING SITE PLANS, PAGES 13 TO 15, INCLUSIVE, UNDER AUDITOR'S FILE NO. 1598964, RECORDS OF WHATCOM COUNTY, WASHINGTON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SAID PARCEL 4 ALSO BEING THE TRUE POINT OF BEGINNING; THENCE SOUTH 43 DEGREES 14' 55" EAST 110.00 FEET; THENCE SOUTH 46 DEGREES 45' 05" WEST 180.00 FEET; THENCE SOUTH 43 DEGREES 14' 55" EAST 38.98 FEET; THENCE SOUTH 48 DEGREES 17' 00" WEST 151.10 FEET; THENCE NORTH 85 DEGREES 10' 00" WEST 65.44 FEET; THENCE NORTH 8 DEGREES 32' 00" EAST 52.32 FEET; THENCE NORTH 45 DEGREES 37' 00" WEST 126.68 FEET; THENCE NORTH 5 DEGREES 30' 00" WEST 48.95 FEET; THENCE NORTH 20 DEGREES 54' 37" EAST 55.08 FEET; THENCE NORTH 0 DEGREES 52' 32" EAST 109.69 FEET; THENCE SOUTH 89 DEGREES 07' 28" EAST 288.41 FEET TO THE TRUE POINT OF BEGINNING.

SUBJECT TO ALL RESTRICTIONS, COVENANTS AND EASEMENTS OF RECORD.

SITUATE IN WHATCOM COUNTY, WASHINGTON, CONTAINING 1.95 ACRES MORE OR LESS.

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File No: 910620177

5. FUTURE PHASES.

Declarant reserves the right to add future phases which may in Declarant's sole discretion include all or part of the following described real property:

THAT PORTION OF PARCEL 4, "CORDATA SPECIFIC BINDING SITE PLAN NO. 1" AS PER THE MAP THEREOF RECORDED IN VOLUME 1 OF BINDING SITE PLANS, PAGES 13 TO 15, INCLUSIVE, UNDER WHATCOM COUNTY AUDITOR'S FILE NO. 1598964, EXCEPT THE FOLLOWING DESCRIBED REAL PROPERTY:

PHASE 1, PHASE 2, PHASE 5, AND PHASE 4 AS DESCRIBED ABOVE.

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File No: 910620177

### THIRD AMENDMENT TO DECLARATION

1. Service of Process (initial for association):

Name: James A. Wynstra  
Address: 506 W. Grover Street, Suite 101  
Lynden, WA 98264

2. Public Street to which project has direct access:

Stuart Road, Bellingham, Whatcom County, Washington

3. Building Materials:

Foundation: Concrete Pier and Wood Beam  
Framing: Wood  
Exterior Siding: Cedar  
Roof: Cedar Shakes

4. Recreational Facilities and Amenities (list):

Clubhouse: To be completed before the last unit is completed.

5. Description of Units:

UNIT TYPE	NUMBER OF ROOMS	LIVING SPACE APPROX. SQ.FT.OD.	DESCRIPTION
G	8	1160	Kitchen, dining room, living room, two bedrooms, two bathrooms, utility room, double attached garage, all on one floor.
H	8	1250	Nook, kitchen, living room/dining room combination, two bedrooms, two bathrooms, utility room, double attached garage, all on one floor.
J	8	1410	Nook, kitchen, living room/dining room combination, two bedrooms, two bathrooms, utility room, double attached garage, all on one floor.
K	9	1760	Nook, kitchen, living room/dining room combination, two bedrooms, two bathrooms, utility room, double attached garage, all on one floor with second storey loft.
L	8	1690	Kitchen, living room/dining room combination, three bedrooms, two bathrooms, utility room, double attached garage, all on one floor.

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UNIT TYPE	NUMBER OF ROOMS	LIVING SPACE APPROX. SQ.FT.	DESCRIPTION
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M	8	1835	Kitchen, living room/dining room combination, three bedrooms, two bathrooms, utility room, double attached garage, all on one floor.
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6. Unit Description:

PHASE	UNIT	ADDRESS*	TYPE OF UNIT	NO. PRIMARY BEDROOMS	NO. LEVELS	NO. BUILT-IN FIREPLACES
1	1	1254	M	3	1	1
1	2	1252	K	2	2	0
1	3	1250	H	2	1	0
1	4	1248	M	3	1	1
1	5	1246	K	2	2	1
1	6	1244	K	2	2	1
1	7	1242	M	2	1	0
1	8	1240	L	3	1	1
1	9	1238	L	3	1	0
1	10	1233	G	2	1	1
1	11	1237	H	2	1	0
1	12	1239	J	2	1	0
1	13	1241	J	2	1	1
1	14	1243	M	3	1	1

\*ALL - Northwind Circle, Bellingham, WA 98226

PHASE	UNIT	ADDRESS*	TYPE OF UNIT	NO. PRIMARY BEDROOMS	NO. LEVELS	NO. BUILT-IN FIREPLACES
1	15	5069	H	2	1	1
1	16	5071	G	2	1	0
1	17	5073	M	3	1	1
1	18	5075	L	3	1	0
1	19	5077	M	3	1	1
1	20	5079	L	2	1	1
1	21	5081	L	2	1	1

\*ALL - Northwind Court, Bellingham, WA 98226

PHASE	UNIT	ADDRESS*	TYPE OF UNIT	NO. PRIMARY BEDROOMS	NO. LEVELS	NO. BUILT-IN FIREPLACES
2	1	1236	H	2	1	0
2	2	1234	K	2	2	0
2	3	1232	M	3	1	0
2	4	1230	M	3	1	1
2	5	1228	G	2	1	1
2	6	1226	K	2	2	1



PHASE	UNIT	ADDRESS*	TYPE OF UNIT	NO. PRIMARY BEDROOMS	NO. LEVELS	NO. BUILT-IN FIREPLACES
2	7	1224	K	2	2	1
2	8	1222	L	3	1	1
2	9	1227	J	2	1	1
2	10	1229	H	2	1	0
2	11	1231	J	2	1	1
5	1	1268	L	3	1	1
5	2	1266	J	2	1	1
5	3	1264	M	3	1	1
5	4	1262	L	3	1	1
5	5	1260	L	3	1	1
5	6	1258	K	2	2	0
5	7	1256	G	2	1	1
5	8	1261	L	3	1	1
5	9	1265	H	2	1	1

\*ALL - Northwind Circle, Bellingham, WA 98226

PHASE	UNIT	ADDRESS*	TYPE OF UNIT	NO. PRIMARY BEDROOMS	NO. LEVELS	NO. BUILT-IN FIREPLACES
4	1	1208	K	2	2	1
4	2	1206	K	2	2	1
4	3	1204	H	2	1	1
4	4	1202	J	2	1	1
4	5	1200	K	2	2	1
4	6	1198	H	2	1	1
4	7	1203	J	2	1	1
4	8	1205	H	2	1	1
4	9	1207	J	2	1	1
4	10	1209	G	2	1	1

\*ALL - Northwind Circle, Bellingham, Washington, 98226

Each unit has two bathrooms and gas heat. Each Unit has four parking spaces; two in the attached garage and two spaces in front of the garage. The percentage of ownership of each unit in the common element is 2.439%. When the project is completed the final percentage will be further reduced to 1.6667%. Declarant reserves the right to build a total of sixty units in this Condominium. Phase five adds nine units. Later phases will add nineteen additional units.

7. Special Rights; Their Termination:

All development rights and special Declarant rights terminate on closing of the sale of the last unit in the condominium. Provided that Declarant reserves an easement for itself, its employees, subcontractors and agents to enter common elements and limited common elements and on reasonable notice units until Declarant has fully completed this project. This shall include the right to make reasonable repairs and corrections to defective work.

Vol: 200 Page: 128  
File No: 910620177

8. Amendments:

Any amendment rights set forth hereinabove are further limited by RCW 64.34.264 if that code provision sets forth higher voting percentages to approve amendments than those set forth in the Declaration.

9. Maps and Plans:

The Survey Maps and Plans for the buildings referred to herein with respect to Phase 4 consist of 15 sheets as prepared by Weden Engineering and were filed with the Auditor of Whatcom County, Washington simultaneously with the recording of this amendment under File Number 910620178 in Volume 11 of Condominiums, Pages 34 through 48.

DATED this 17 day of June, 1991.

DECLARANT:

TULIP FINANCIAL SERVICES, INC.  
AS OWNER AND ATTORNEY IN FACT FOR ALL  
OTHER OWNERS

WHATCOM COUNTY  
BELLINGHAM, WA

06/20/91 12:30 PM

REQUEST OF: WLT

Shirley Forslof, AUDITOR

BY: MPT, DEPUTY

STATE OF WASHINGTON, ss.

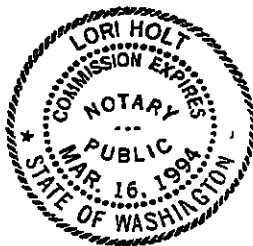
COUNTY OF WHATCOM )

BY:

James A. Wynstra, President

On this 17 day of June, 1991, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared JAMES A. WYNSTRA, to me known to be the President of TULIP FINANCIAL SERVICES, INC., and as Attorney in Fact for all other owners, the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute the said instrument and that the seal affixed (if any) is the corporate seal of said corporation.

WITNESS my hand and official seal hereto affixed the day and year first above written.



Lori Holt  
NOTARY PUBLIC in and for the State  
of Washington, residing at Lynden.

My Commission Expires: 3-16-94

Vol: 200 Page: 129  
File No: 910620177

FOURTH AMENDMENT TO DECLARATION AND COVENANTS, CONDITIONS,  
RESTRICTIONS AND RESERVATIONS FOR THE VILLAGE AT CORDATA, NORTESIDE, A  
CONDOMINIUM

Pursuant to Article 23.5, the "Declaration and Covenants, Conditions, Restrictions, and Reservations for the Village at Cordata, Northside, A Condominium", was recorded in the office of the Auditor of Whatcom County, Washington, on October 30, 1990, under Whatcom County Auditor File No. 901030216. The first amendment to the said Declaration was later filed in the office of the Auditor of Whatcom County, Washington, on February 14, 1991, under Whatcom County Auditor File No. 910214092. The second amendment to the said Declaration was later filed in the office of the Auditor of Whatcom County, Washington, on May 8th, 1991, under Whatcom County Auditor File No. 910508092. The third amendment to the said Declaration was later filed in the office of the Auditor of Whatcom County, Washington, on June 20, 1991, under Whatcom County Auditor File No. 910620177. The said Declaration is hereby amended a fourth time to provide for phasing as follows:

1. PHASE 1. Completed and part of the Condominium per Article 23.

LEGAL DESCRIPTION

THAT PORTION OF PARCEL 4, "CORDATA SPECIFIC BINDING SITE PLAN NO. 1", AS PER THE MAP THEREOF RECORDED IN VOLUME 1 OF BINDING SITE PLANS, PAGES 13 TO 15, INCLUSIVE, UNDER AUDITOR'S FILE NO. 1598964, RECORDS OF WHATCOM COUNTY, WASHINGTON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID PARCEL 4; THENCE SOUTH 89 DEGREES 40' 24" EAST ALONG THE SOUTH LINE OF SAID PARCEL 4 AND THE NORTHERLY MARGIN OF JUNE ROAD, 115.83 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 42 DEGREES 28' 00" EAST, 137.64 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 18 DEGREES 10' 14" AND A CENTER BEARING NORTH 10 DEGREES 32' 04" EAST, 130.00 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE 41.23 FEET; THENCE NORTH 28 DEGREES 42' 18" EAST, 40.00 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 49 DEGREES 30' 13" AND A CENTER BEARING NORTH 28 DEGREES 42' 18" EAST, 90.00 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE, 77.76 FEET; THENCE NORTH 72 DEGREES 05' 00" EAST, 101.05 FEET; THENCE NORTH 8 DEGREES 32' 00" EAST, 226.98 FEET; THENCE SOUTH 85 DEGREES 10' 00" EAST, 267.14 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 36 DEGREES 17' 06" AND A CENTER BEARING SOUTH 81 DEGREES 45' 30" WEST, 90.00 FEET; THENCE SOUTHERLY ALONG THE ARC OF SAID CURVE, 57.00 FEET; THENCE SOUTH 61 DEGREES 57' 24" EAST, 40.00 FEET; THENCE SOUTH 28 DEGREES 02' 36" WEST, 47.10 FEET; THENCE SOUTH 75 DEGREES 18' 39" EAST, 113.17 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 38 DEGREES 15' 09" AND A CENTER BEARING SOUTH 51 DEGREES 25' 14" EAST, 340.00 FEET; THENCE SOUTHERLY ALONG THE ARC OF SAID CURVE, 226.99

FEET; THENCE SOUTH 0 DEGREES 19' 36" WEST, 67.27 FEET TO A POINT ON THE ARC OF A TANGENTIAL CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 90 DEGREES 00' 00" AND A CENTER BEARING NORTH 89 DEGREES 40' 24" WEST, 25.00 FEET; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE 39.27 FEET; THENCE NORTH 89 DEGREES 40' 24" WEST, 437.89 FEET TO THE TRUE POINT OF BEGINNING.

SUBJECT TO ALL RESTRICTIONS, COVENANTS, AND EASEMENTS OF RECORD. SITUATE IN COUNTY OF WHATCOM, STATE OF WASHINGTON. CONTAINING 169,725 SQUARE FEET, MORE OR LESS.

2. PHASE 2. Completed and part of the Condominium per Article 23.

LEGAL DESCRIPTION

THAT PORTION OF PARCEL 4, "CORDATA SPECIFIC BINDING SITE PLAN NO. 1, AS PER THE MAP THEREOF RECORDED IN VOLUME 1 OF BINDING SITE PLANS, PAGES 13 TO 15, INCLUSIVE, UNDER AUDITOR'S FILE NO. 1598964, RECORDS OF WHATCOM COUNTY, WASHINGTON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID PARCEL 4; THENCE SOUTH 89 DEGREES 40' 24" EAST ALONG THE SOUTH LINE OF SAID PARCEL 4 AND THE NORTHERLY MARGIN OF JUNE ROAD, 116.83 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 42 DEGREES 28' 00" EAST, 137.64 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 18 DEGREES 10' 14" AND A CENTER BEARING NORTH 10 DEGREES 32' 04" EAST, 130.00 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE 41.23 FEET; THENCE NORTH 28 DEGREES 42' 18" EAST, 40.00 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 40 DEGREES 30' 13" AND A CENTER BEARING NORTH 28 DEGREES 42' 18" EAST, 90.00 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE, 77.76 FEET; THENCE NORTH 72 DEGREES 05' 00" EAST, 101.05 FEET; THENCE NORTH 8 DEGREES 32' 00" EAST, 124.93 FEET; THENCE NORTH 57 DEGREES 50' 09" WEST, 133.99 FEET; THENCE NORTH 00 DEGREES 52' 32" EAST, 66.57 FEET; THENCE NORTH 89 DEGREES 07' 28" WEST, 40.00 FEET; THENCE SOUTH 57 DEGREES 00' 45" WEST, 120.43 FEET; THENCE SOUTH 00 DEGREES 52' 32" WEST, 437.90 FEET; THENCE SOUTH 89 DEGREES 40' 24" EAST ALONG THE SOUTH LINE OF SAID PARCEL 4 AND THE NORTHERLY MARGIN OF JUNE ROAD, 116.83 FEET TO THE TRUE POINT OF BEGINNING.

SUBJECT TO ALL RESTRICTIONS, COVENANTS, AND EASEMENTS OF RECORD. SITUATE IN COUNTY OF WHATCOM, STATE OF WASHINGTON. CONTAINING 91,375 SQUARE FEET, MORE OR LESS.

Vol: 207 Page: 109  
File No: 910806091

3. PHASE 5. Completed and part of the Condominium per Article 23.

LEGAL DESCRIPTION

THAT PORTION OF PARCEL 4, "CORDATA SPECIFIC BINDING SITE PLAN NO. 1", AS PER THE MAP THEREOF RECORDED IN VOLUME 1 OF BINDING SITE PLANS, PAGES 13 TO 15, INCLUSIVE, UNDER AUDITOR'S FILE NO. 1598964, RECORDS OF WHATCOM COUNTY, WASHINGTON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID PARCEL 4 ALSO BEING THE TRUE POINT OF BEGINNING; THENCE NORTH 43 DEGREES 14' 55" WEST ALONG THE EAST LINE OF SAID PARCEL 4, 395.99 FEET; THENCE SOUTH 46 DEGREES 45' 05" WEST, 180.00 FEET; THENCE SOUTH 43 DEGREES 14' 55" EAST, 38.98 FEET; THENCE SOUTH 48 DEGREES 16' 56" WEST, 151.10 FEET; THENCE SOUTH 85 DEGREES 10' 00" EAST, 201.72 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 36 DEGREES 18' 14" AND A CENTER BEARING SOUTH 81 DEGREES 46' 04" WEST, 90.00 FEET; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE 57.03 FEET; THENCE SOUTH 61 DEGREES 57' 24" EAST, 40.00 FEET; THENCE SOUTH 28 DEGREES 02' 36" WEST, 47.10 FEET; THENCE SOUTH 75 DEGREES 18' 39" EAST, 113.17 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 23 DEGREES 01' 46" AND A CENTER BEARING SOUTH 51 DEGREES 25' 14" EAST, 340.00 FEET; THENCE NORTHEASTERLY ALONG THE ARC OF SAID CURVE 136.66 FEET; THENCE NORTH 61 DEGREES 36' 32" EAST, 80.00 FEET TO THE TRUE POINT OF BEGINNING.

SUBJECT TO ALL RESTRICTIONS, COVENANTS, AND EASEMENTS OF RECORD.  
SITUATE IN WHATCOM COUNTY, WASHINGTON.  
CONTAINING 2.06 ACRES MORE OR LESS.

4. PHASE 4. Completed and part of the condominium per Article 23.

LEGAL DESCRIPTION

THAT PORTION OF PARCEL 4, "CORDATA SPECIFIC BINDING SITE PLAN NO. 1" AS PER THE MAP THEREOF RECORDED IN VOLUME 1 OF BINDING SITE PLANS, PAGES 13 TO 15, INCLUSIVE, UNDER AUDITOR'S FILE NO. 1598964, RECORDS OF WHATCOM COUNTY, WASHINGTON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SAID PARCEL 4 ALSO BEING THE TRUE POINT OF BEGINNING; THENCE SOUTH 43 DEGREES 14'55" EAST 110.00 FEET; THENCE SOUTH 46 DEGREES 45'05" WEST 180.00 FEET; THENCE SOUTH 43 DEGREES 14'55" EAST 38.98 FEET; THENCE SOUTH 48 DEGREES 17'00" WEST 151.10 FEET; THENCE NORTH 85 DEGREES 10'00" WEST 65.44 FEET; THENCE NORTH 8 DEGREES 32'00" EAST 52.32 FEET; THENCE NORTH 45 DEGREES 37'00" WEST 126.68 FEET; THENCE NORTH 5 DEGREES 30'00" WEST 48.95 FEET;



THENCE NORTH 20 DEGREES 54'37" EAST 55.08 FEET; THENCE NORTH 0 DEGREES 52'32" EAST 109.69 FEET; THENCE SOUTH 89 DEGREES 07'28" EAST 288.41 FEET TO THE TRUE POINT OF BEGINNING.

SUBJECT TO ALL RESTRICTIONS, COVENANTS AND EASEMENTS OF RECORD.  
SITUATE IN WHATCOM COUNTY, WASHINGTON, CONTAINING 1.95 ACRES MORE OR LESS.

5. PHASE 3. Completed and part of the condominium per Article 23.

THAT PORTION OF PARCEL 4, "CORDATA SPECIFIC BINDING SITE PLAN NO. 1" AS PER THE MAP THEREOF RECORDED IN VOLUME 1 OF BINDING SITE PLANS, PAGES 13 TO 15, INCLUSIVE, UNDER AUDITOR'S FILE NO. 1598964, RECORDS OF WHATCOM COUNTY, WASHINGTON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SAID PARCEL 4; THENCE NORTH 89 DEGREES 07'28" WEST ALONG THE NORTH LINE OF SAID PARCEL 4, A DISTANCE OF 288.41 FEET TO THE TRUE POINT OF BEGINNING; THENCE SOUTH 0 DEGREES 52'32" WEST 109.60 FEET; THENCE SOUTH 20 DEGREES 54'37" WEST 55.08 FEET; THENCE SOUTH 5 DEGREES 30'00" EAST 48.95 FEET; THENCE SOUTH 56 DEGREES 37'00" EAST 126.68 FEET; THENCE SOUTH 8 DEGREES 32'00" WEST 154.37 FEET; THENCE NORTH 57 DEGREES 50'09" WEST 133.99 FEET; THENCE NORTH 0 DEGREES 52'32" EAST 66.57 FEET; THENCE NORTH 89 DEGREES 07'28" WEST 40.00 FEET; THENCE SOUTH 57 DEGREES 00'45" WEST 120.43 FEET TO THE WEST LINE OF SAID PARCEL 4; THENCE NORTH 0 DEGREES 52'32" EAST ALONG THE WEST LINE OF SAID PARCEL 4 362.11 FEET TO THE NORTHWEST CORNER OF SAID PARCEL 4; THENCE SOUTH 89 DEGREES 07'28" EAST ALONG THE NORTH LINE OF SAID PARCEL 4 181.67 FEET TO THE TRUE POINT OF BEGINNING.

SUBJECT TO ALL RESTRICTIONS, COVENANTS AND EASEMENTS OF RECORD.

SITUATE IN WHATCOM COUNTY, WASHINGTON, CONTAINING 1.67 ACRES MORE OR LESS.

6. FUTURE PHASES. There are no future phases contemplated by the Declarant.

Vol: 297 Page: 111  
File No: 910006091

FOURTH AMENDMENT TO DECLARATION

1. Service of Process (initial for association):

Name: James A. Wynstra  
Address: 506 W. Grover Street, Suite 101  
Lynden, WA 98264

2. Public Street to which project has direct access:

Stuart Road, Bellingham, Whatcom County, Washington

3. Building Materials:

Foundation: Concrete Pier and Wood Beam  
Framing: Wood  
Exterior Siding: Cedar  
Roof: Cedar Shakes

4. Recreational Facilities and Amenities (list):

Clubhouse: To be completed before the last unit is completed.

5. Description of Units:

UNIT TYPE	NUMBER OF ROOMS	LIVING SPACE APPROX. SQ.FT.OD.	DESCRIPTION
H	8	1250	Nook, kitchen, living room/dining room combination, two bedrooms, two bathrooms, utility room, double attached garage, all on one floor.
J	8	1410	Nook, kitchen, living room/dining room combination, two bedrooms, two bathrooms, utility room, double attached garage, all on one floor.
K	9	1760	Nook, kitchen, living room/dining room combination, two bedrooms, two bathrooms, utility room, double attached garage, all on one floor with second storey loft.
L	8	1690	Kitchen, living room/dining room combination, three bedrooms, two bathrooms, utility room, double attached garage, all on one floor.

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File No: 910806091



UNIT NUMBER LIVING SPACE  
TYPE OF ROOMS APPROX. SQ.FT.OB.

DESCRIPTION

M 8 1835 Kitchen, living room/dining room combination, three bedrooms, two bathrooms, utility room, double attached garage, all on one floor.

6. Unit Description:

PHASE	UNIT	ADDRESS*	TYPE OF UNIT	NO. PRIMARY BEDROOMS	NO. LEVELS	NO. BUILT-IN FIREPLACES
1	1	1254	M	3	1	1
1	2	1252	K	2	2	0
1	3	1250	H	2	1	0
1	4	1248	M	3	1	1
1	5	1246	K	2	2	1
1	6	1244	K	2	2	1
1	7	1242	M	2	1	0
1	8	1240	L	3	1	1
1	9	1238	L	3	1	0
1	10	1233	G	2	1	1
1	11	1237	H	2	1	0
1	12	1239	J	2	1	0
1	13	1241	J	2	1	1
1	14	1243	M	3	1	1

\*ALL - Northwind Circle, Bellingham, WA 98226

PHASE	UNIT	ADDRESS*	TYPE OF UNIT	NO. PRIMARY BEDROOMS	NO. LEVELS	NO. BUILT-IN FIREPLACES
1	15	5069	H	2	1	1
1	16	5071	G	2	1	0
1	17	5073	M	3	1	1
1	18	5075	L	3	2	0
1	19	5077	M	3	1	1
1	20	5079	L	2	1	1
1	21	5081	L	2	1	1

\*ALL - Northwind Court, Bellingham, WA 98226

PHASE	UNIT	ADDRESS*	TYPE OF UNIT	NO. PRIMARY BEDROOMS	NO. LEVELS	NO. BUILT-IN FIREPLACES
2	1	1236	H	2	1	0
2	2	1234	K	2	2	0
2	3	1232	M	3	1	0
2	4	1230	M	3	1	1
2	5	1228	G	2	1	1
2	6	1226	K	2	2	1

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File No: 910806091

PHASE	UNIT	ADDRESS*	TYPE OF UNIT	NO. PRIMARY BEDROOMS	NO. LEVELS	NO. BUILT-IN FIREPLACES
2	7	1224	K	2	2	1
2	8	1222	L	3	1	1
2	9	1227	J	2	1	1
2	10	1229	H	2	1	0
2	11	1231	J	2	1	1
5	1	1268	L	3	1	1
5	2	1266	J	2	1	1
5	3	1264	M	3	1	1
5	4	1262	L	3	1	1
5	5	1260	L	3	1	1
5	6	1259	K	2	2	0
5	7	1255	G	2	1	1
5	8	1251	L	3	1	1
5	9	1265	R	2	1	1

\*ALL - Northwind Circle, Bellingham, WA 98226

PHASE	UNIT	ADDRESS*	TYPE OF UNIT	NO. PRIMARY BEDROOMS	NO. LEVELS	NO. BUILT-IN FIREPLACES
4	1	1208	K	2	2	1
4	2	1206	K	2	2	1
4	3	1204	H	2	1	1
4	4	1202	J	2	1	1
4	5	1200	K	2	2	1
4	6	1198	H	2	1	1
4	7	1203	J	2	1	1
4	8	1205	H	2	1	1
4	9	1207	J	2	1	1
4	10	1209	G	2	1	1

\*ALL - Northwind Circle, Bellingham, Washington, 98226

PHASE	UNIT	ADDRESS*	TYPE OF UNIT	NO. PRIMARY BEDROOMS	NO. LEVELS	NO. BUILT-IN FIREPLACES
3	1	1220	K	2	2	1
3	2	1218	M	3	1	1
3	3	1216	K	2	2	1
3	4	1214	L	3	1	1
3	5	1212	K	2	2	1
3	6	1210	M	3	1	1
3	7	1221	H	2	1	1
3	8	1223	J	2	1	1
3	9	1225	J	2	1	1

\*ALL - Northwind Circle, Bellingham, Washington, 98226

Each unit has two bathrooms and gas heat. Each Unit has four parking spaces; two in the attached garage and two spaces in front of the garage. The project is now complete. The final percentage of ownership of each unit in the common element is 1.6667%.

7. Special Rights; Their Termination:

All development rights and special Declarant rights terminate on closing of the sale of the last unit in the condominium. Provided that Declarant reserves an easement for itself, its employees, subcontractors and agents to enter common elements and limited common elements and on reasonable notice units until Declarant has fully completed this project. This shall include the right to make reasonable repairs and corrections to defective work.

8. Amendments:

Any amendment rights set forth hereinabove are further limited by RCW 64.34.264 if that code provision sets forth higher voting percentages to approve amendments than those set forth in the Declaration.

9. Maps and Plans:

The Survey Maps and Plans for the buildings referred to herein with respect to Phase 3 consist of 13 sheets as prepared by Waden Engineering and were filed with the Auditor of Whatcom County, Washington simultaneously with the recording of this amendment under File Number 910806090 in Volume 12 of Condominiums, Pages 7 through 2019.

DATED this 6<sup>th</sup> day of August, 1991.

DECLARANT:

TULIP FINANCIAL SERVICES, INC.  
AS OWNER AND ATTORNEY IN FACT FOR ALL  
OTHER OWNERS

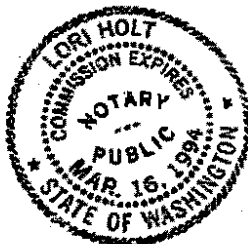
BY:

  
James A. Wynstra, President

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF WHATCOM )

On this 6th day of August, 1991, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared JAMES A. WYNSTRA, to me known to be the President of TULIP FINANCIAL SERVICES, INC., and as Attorney in Fact for all other owners, the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute the said instrument and that the seal affixed (if any) is the corporate seal of said corporation.

WITNESS my hand and official seal hereto affixed the day and year first above written.



Lori Holt  
NOTARY PUBLIC in and for the State  
of Washington, residing at Lynden.

My Commission Expires: 3/16/94

WHATCOM COUNTY  
BELLINGHAM, WA  
08/06/91 3:05 PM  
REQUEST OF: /WLT  
Shirley Forslof, AUDITOR  
BY: RO, DEPUTY  
\$15.00 D/RC

Vol: 207 Page: 116  
File No: 910806091

After recording return to:

JAMES A. WYNSTRA  
Attorney at Law  
506 W. Grover Street  
Lynden, WA 98264

WHATCOM COUNTY  
BELLINGHAM, WA  
01/14/92 3:33 PM  
REQUEST OF: WLT  
Shirley Forslof, AUDITOR  
BY: L.S. DEBUTY  
\$11.00 RML/RC

W-108659  
AMENDMENT TO DECLARATION AND COVENANTS,  
CONDITIONS, RESTRICTIONS AND RESERVATIONS FOR  
THE VILLAGE AT CORDATA, NORTHSIDE,  
A CONDOMINIUM

Vol: 238 Page: 585  
File No: 920114112

The following amendment was adopted at a Special Meeting of the Members of The Village at Cordata, Northside Condominium Association held December 2, 1991 at 7:00 p.m. This amendment shall be attached to and form a part of the Declarations and Covenants, Conditions, Restrictions and Reservations for The Village at Cordata, Northside, A Condominium which document was recorded in the office of the Auditor for Whatcom County, Washington on October 30, 1990, under Whatcom County Auditor File No. 901030216. For the legal description of the real property see Exhibit A which is annexed hereto and by this reference incorporated herein. The first amendment to the said Declaration was later filed in the office of the Auditor of Whatcom County, Washington, on February 14, 1991, under Whatcom County auditor File No. 910214092. The second amendment to the said Declaration was later filed in the office of the Auditor of Whatcom County, Washington, on May 8th, 1991, under Whatcom County Auditor File No. 910508092. The third amendment to the said Declaration was later filed in the office of the Auditor of Whatcom County, Washington, on June 20, 1991, under Whatcom County Auditor File No. 910620177. The fourth amendment to the said Declaration was later filed in the office of the Auditor of Whatcom County, Washington, on August 6th, 1991 under Whatcom County Auditor File No. 910806091. The said Declaration is hereby amended a fifth time as follows:

"Maintenance of all Limited Common Elements installed by the Developer with the exception of air conditioning, fireplaces (fireplaces as used herein includes only the metal fireplace shell and related venting systems), and decks shall be paid for and maintained by the Association as a Common Expense."




DATED this 3rd day of December, 1991.

DECLARANT:

VILLAGE AT CORDATA, NORTHSIDE  
CONDOMINIUM ASSOCIATION

BY:

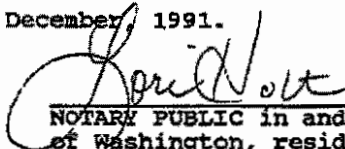
  
James A. Wynstra, President

STATE OF WASHINGTON )  
                              ) ss.  
COUNTY OF WHATCOM )

I hereby certify that I know or have satisfactory evidence that JAMES A. WYNSTRA is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he is authorized to execute the instrument and acknowledged it as the President of VILLAGE AT CORDATA, NORTHSIDE CONDOMINIUM ASSOCIATION to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

DATED this 3rd day of December, 1991.



  
NOTARY PUBLIC in and for the State  
of Washington, residing at Lynden.

Vol: 230 Page: 586  
File No: 920114112

EXHIBIT A

LEGAL DESCRIPTION

1. PHASE 1. Completed and part of the Condominium per Article 23.

THAT PORTION OF PARCEL 4, "CORDATA SPECIFIC BINDING SITE PLAN NO. 1", AS PER THE MAP THEREOF RECORDED IN VOLUME 1 OF BINDING SITE PLANS, PAGES 13 TO 15, INCLUSIVE, UNDER AUDITOR'S FILE NO. 1598964, RECORDS OF WHATCOM COUNTY, WASHINGTON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID PARCEL 4; THENCE SOUTH 89 DEGREES 40' 24" EAST ALONG THE SOUTH LINE OF SAID PARCEL 4 AND THE NORTHERLY MARGIN OF JUNE ROAD, 115.83 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 42 DEGREES 28' 00" EAST, 137.64 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 18 DEGREES 10' 14" AND A CENTER BEARING NORTH 10 DEGREES 32' 04" EAST, 130.00 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE 41.23 FEET; THENCE NORTH 28 DEGREES 42' 18" EAST, 40.00 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 49 DEGREES 30' 13" AND A CENTER BEARING NORTH 28 DEGREES 42' 18" EAST, 90.00 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE, 77.76 FEET; THENCE NORTH 72 DEGREES 05' 00" EAST, 101.05 FEET; THENCE NORTH 8 DEGREES 32' 00" EAST, 226.98 FEET; THENCE SOUTH 85 DEGREES 10' 00" EAST, 267.14 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 36 DEGREES 17' 06" AND A CENTER BEARING SOUTH 81 DEGREES 45' 30" WEST, 90.00 FEET; THENCE SOUTHERLY ALONG THE ARC OF SAID CURVE, 57.00 FEET; THENCE SOUTH 61 DEGREES 57' 24" EAST, 40.00 FEET; THENCE SOUTH 28 DEGREES 02' 36" WEST, 47.10 FEET; THENCE SOUTH 75 DEGREES 18' 39" EAST, 113.17 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 38 DEGREES 15' 09" AND A CENTER BEARING SOUTH 51 DEGREES 25' 14" EAST, 340.00 FEET; THENCE SOUTHERLY ALONG THE ARC OF SAID CURVE, 226.99 FEET; THENCE SOUTH 0 DEGREES 19' 36" WEST, 67.27 FEET TO A POINT ON THE ARC OF A TANGENTIAL CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 90 DEGREES 00' 00" AND A CENTER BEARING NORTH 89 DEGREES 40' 24" WEST, 25.00 FEET; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE 39.27 FEET; THENCE NORTH 89 DEGREES 40' 24" WEST, 437.89 FEET TO THE TRUE POINT OF BEGINNING.

SUBJECT TO ALL RESTRICTIONS, COVENANTS, AND EASEMENTS OF RECORD. SITUATE IN COUNTY OF WHATCOM, STATE OF WASHINGTON. CONTAINING 169,725 SQUARE FEET, MORE OR LESS.

2. PHASE 2. Completed and part of the Condominium per Article 23.

LEGAL DESCRIPTION

THAT PORTION OF PARCEL 4, "CORDATA SPECIFIC BINDING SITE PLAN NO. 1, AS PER THE MAP THEREOF RECORDED IN VOLUME 1 OF BINDING SITE PLANS, PAGES 13 TO 15, INCLUSIVE, UNDER AUDITOR'S FILE NO. 1598964, RECORDS OF WHATCOM COUNTY, WASHINGTON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID PARCEL 4; THENCE SOUTH 89 DEGREES 40' 24" EAST ALONG THE SOUTH LINE OF SAID PARCEL 4 AND THE NORTHERLY MARGIN OF JUNE ROAD, 116.83 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 42 DEGREES 28' 00" EAST, 137.64 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 18 DEGREES 10' 14" AND A CENTER BEARING NORTH 10 DEGREES 32' 04" EAST, 130.00 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE 41.23 FEET; THENCE NORTH 28 DEGREES 42' 18" EAST, 40.00 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 40 DEGREES 30' 13" AND A CENTER BEARING NORTH 28 DEGREES 42' 18" EAST, 90.00 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE, 77.76 FEET; THENCE NORTH 72 DEGREES 05' 00" EAST, 101.05 FEET; THENCE NORTH 8 DEGREES 32' 00" EAST, 124.93 FEET; THENCE NORTH 57 DEGREES 50' 09" WEST, 133.99 FEET; THENCE NORTH 00



DEGREES 52' 32" EAST, 66.57 FEET; THENCE NORTH 89 DEGREES 07' 28" WEST, 40.00 FEET; THENCE SOUTH 57 DEGREES 00' 45" WEST, 120.43 FEET; THENCE SOUTH 00 DEGREES 52' 32" WEST, 437.90 FEET; THENCE SOUTH 89 DEGREES 40' 24" EAST ALONG THE SOUTH LINE OF SAID PARCEL 4 AND THE NORTHERLY MARGIN OF JUNE ROAD, 116.83 FEET TO THE TRUE POINT OF BEGINNING.

SUBJECT TO ALL RESTRICTIONS, COVENANTS, AND EASEMENTS OF RECORD.  
SITUATE IN COUNTY OF WHATCOM, STATE OF WASHINGTON.  
CONTAINING 91,375 SQUARE FEET, MORE OR LESS.

3. PHASE 5. Completed and part of the Condominium per Article 23.

LEGAL DESCRIPTION

THAT PORTION OF PARCEL 4, "CORDATA SPECIFIC BINDING SITE PLAN NO. 1", AS PER THE MAP THEREOF RECORDED IN VOLUME 1 OF BINDING SITE PLANS, PAGES 13 TO 15, INCLUSIVE, UNDER AUDITOR'S FILE NO. 1598964, RECORDS OF WHATCOM COUNTY, WASHINGTON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID PARCEL 4 ALSO BEING THE TRUE POINT OF BEGINNING; THENCE NORTH 43 DEGREES 14' 55" WEST ALONG THE EAST LINE OF SAID PARCEL 4, 395.99 FEET; THENCE SOUTH 46 DEGREES 45' 05" WEST, 180.00 FEET; THENCE SOUTH 43 DEGREES 14' 55" EAST, 38.98 FEET; THENCE SOUTH 48 DEGREES 16' 56" WEST, 151.10 FEET; THENCE SOUTH 85 DEGREES 10' 00" EAST, 201.72 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 36 DEGREES 18' 14" AND A CENTER BEARING SOUTH 81 DEGREES 46' 04" WEST, 90.00 FEET; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE 57.03 FEET; THENCE SOUTH 61 DEGREES 57' 24" EAST, 40.00 FEET; THENCE SOUTH 28 DEGREES 02' 36" WEST, 47.10 FEET; THENCE SOUTH 75 DEGREES 18' 39" EAST, 113.17 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 23 DEGREES 01' 46" AND A CENTER BEARING SOUTH 51 DEGREES 25' 14" EAST, 340.00 FEET; THENCE NORTHEASTERLY ALONG THE ARC OF SAID CURVE 136.66 FEET; THENCE NORTH 61 DEGREES 36' 32" EAST, 80.00 FEET TO THE TRUE POINT OF BEGINNING.

SUBJECT TO ALL RESTRICTIONS, COVENANTS, AND EASEMENTS OF RECORD.  
SITUATE IN WHATCOM COUNTY, WASHINGTON.  
CONTAINING 2.06 ACRES MORE OR LESS.

4. PHASE 4. Completed and part of the condominium per Article 23.

LEGAL DESCRIPTION

THAT PORTION OF PARCEL 4, "CORDATA SPECIFIC BINDING SITE PLAN NO. 1" AS PER THE MAP THEREOF RECORDED IN VOLUME 1 OF BINDING SITE PLANS, PAGES 13 TO 15, INCLUSIVE, UNDER AUDITOR'S FILE NO. 1598964, RECORDS OF WHATCOM COUNTY, WASHINGTON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SAID PARCEL 4 ALSO BEING THE TRUE POINT OF BEGINNING; THENCE SOUTH 43 DEGREES 14' 55" EAST 110.00 FEET; THENCE SOUTH 46 DEGREES 45' 05" WEST 180.00 FEET; THENCE SOUTH 43 DEGREES 14' 55" EAST 38.98 FEET; THENCE SOUTH 48 DEGREES 17' 00" WEST 151.10 FEET; THENCE NORTH 85 DEGREES 10' 00" WEST 65.44 FEET; THENCE NORTH 8 DEGREES 32' 00" EAST 52.32 FEET; THENCE NORTH 45 DEGREES 37' 00" WEST 126.68 FEET; THENCE NORTH 5 DEGREES 30' 00" WEST 48.95 FEET; THENCE NORTH 20 DEGREES 54' 37" EAST 55.08 FEET; THENCE NORTH 0 DEGREES 52' 32" EAST 109.69 FEET; THENCE SOUTH 89 DEGREES 07' 28" EAST 288.41 FEET TO THE TRUE POINT OF BEGINNING.

SUBJECT TO ALL RESTRICTIONS, COVENANTS AND EASEMENTS OF RECORD.  
SITUATE IN WHATCOM COUNTY, WASHINGTON, CONTAINING 1.95 ACRES MORE  
OR LESS.

5. PHASE 3. Completed and part of the condominium per  
Article 23.

THAT PORTION OF PARCEL 4, "CORDATA SPECIFIC BINDING SITE PLAN NO.  
1" AS PER THE MAP THEREOF RECORDED IN VOLUME 1 OF BINDING SITE  
PLANS, PAGES 13 TO 15, INCLUSIVE, UNDER AUDITOR'S FILE NO.  
1598964, RECORDS OF WHATCOM COUNTY, WASHINGTON, BEING MORE  
PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SAID PARCEL 4; THENCE NORTH  
89 DEGREES 07'28" WEST ALONG THE NORTH LINE OF SAID PARCEL 4, A  
DISTANCE OF 288.41 FEET TO THE TRUE POINT OF BEGINNING; THENCE  
SOUTH 0 DEGREES 52'32" WEST 109.60 FEET; THENCE SOUTH 20 DEGREES  
54'37" WEST 55.08 FEET; THENCE SOUTH 5 DEGREES 30'00" EAST 48.95  
FEET; THENCE SOUTH 56 DEGREES 37'00" EAST 126.68 FEET; THENCE  
SOUTH 8 DEGREES 32'00" WEST 154.37 FEET; THENCE NORTH 57 DEGREES  
50'09" WEST 133.99 FEET; THENCE NORTH 0 DEGREES 52'32" EAST 66.57  
FEET; THENCE NORTH 89 DEGREES 07'28" WEST 40.00 FEET; THENCE  
SOUTH 57 DEGREES 00'45" WEST 120.43 FEET TO THE WEST LINE OF SAID  
PARCEL 4; THENCE NORTH 0 DEGREES 52'32" EAST ALONG THE WEST LINE  
OF SAID PARCEL 4 362.11 FEET TO THE NORTHWEST CORNER OF SAID  
PARCEL 4; THENCE SOUTH 89 DEGREES 07'28" EAST ALONG THE NORTH  
LINE OF SAID PARCEL 4 181.67 FEET TO THE TRUE POINT OF BEGINNING.

SUBJECT TO ALL RESTRICTIONS, COVENANTS AND EASEMENTS OF RECORD.

SITUATE IN WHATCOM COUNTY, WASHINGTON, CONTAINING 1.67 ACRES MORE  
OR LESS.

**SIXTH AMENDMENT TO DECLARATION CONTAINING  
REVISED AND RESTATED DECLARATION  
OF CONDOMINIUM SUBDIVISION AND  
COVENANTS, CONDITIONS, RESTRICTIONS AND RESERVATIONS  
FOR  
THE VILLAGE AT CORDATA, NORTHSIDE, A CONDOMINIUM**

NHATCOM COUNTY  
BELLINGHAM, WA  
02/08/94 11:22 AM  
REQUEST OF: SIMONARSO  
Shirley Forslof, AUDITOR  
BY: TRR, DEPUTY  
\$62.00 D/RC  
Vol: 372 Page: 24  
File No: 940208073

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**SIXTH AMENDMENT TO DECLARATION  
FOR THE VILLAGE AT CORDATA, NORTHSIDE, A CONDOMINIUM**

**PURPOSE: TO REVISE AND RESTATE ENTIRE DECLARATION**

THIS AMENDMENT is made this 24<sup>th</sup> day of January, 1998<sup>4</sup>, by The Village at Cordata, Northside, Condominium Association (the "Association").

**WITNESSETH THAT:**

WHEREAS, a certain Condominium Declaration establishing The Village at Cordata, Northside, a Condominium ("the Condominium") in the City of Bellingham, Washington, was recorded by its Declarant at Auditor's File No. 901030216 on October 30, 1990, in Volume 172 of Condominiums at Pages 675-741 among the land records of Whatcom County, Washington, along with a Survey Map and Plans, which were contemporaneously recorded at Auditor's File No. 901030215 in Volume 9 of Condominiums at Pages 48-74; which Declaration has been previously amended by a First Amendment to declaration recorded at Auditor's File No. 910214093, records of Whatcom County, Washington; a Second Amendment to declaration recorded at Auditor's File No. 910508092, records of Whatcom County, Washington; a Third Amendment to declaration recorded at Auditor's File No. 910620177, records of Whatcom County, Washington; a Fourth Amendment to declaration recorded at Auditor's File No. 910806091; and a Fifth Amendment to declaration recorded at Auditor's File No. 920114112.

WHEREAS, pursuant to RCW 64.34.264 and Section 21.1 of the Declaration, the Declaration of this Condominium may be amended by the vote or agreement of unit owners of units to which at least seventy-five percent (75%) of the votes in the Association are allocated along with the consent of at least 75% of Eligible Mortgagees.

WHEREAS, the Association has determined that it is necessary or desirable to amend the entire Declaration, in the manner hereinafter specified, and has obtained the necessary consent of the requisite percentage of Unit Owners and Eligible Mortgagees prior to the date of this Amendment.

NOW, THEREFORE, pursuant to and in compliance with Section 21.1 of the Declaration and RCW 64.34.264, the Association hereby amends the Declaration as follows:

**ARTICLE I**

**PURPOSE**

**1.1 Purpose.**

This Revised and Restated Declaration, together with the Survey Map and Plans referred to herein, states covenants, conditions, restrictions and reservations intended by the Declarant to effect a common plan for the Condominium development of the Property mutually beneficial to all of the described Units. The covenants, conditions, restrictions, reservations and plan, including without limitation the statutory lien for Assessments which may be foreclosed by the Association nonjudicially under the Power of Sale granted herein, are binding upon the entire property and upon each such Unit as a parcel of realty, and upon its Owners or possessors, and their heirs, personal representatives, successors and assigns, through all successive transfers of all or part of the Property or any security interest therein, without requirement of further specific reference or inclusion in

deeds, contracts or security instruments, and regardless of any subsequent forfeiture, foreclosures, or sales of Units under security instruments, or of any forfeiture, foreclosures, or sales instituted for nonpayment of government tax, levy or assessment of any kind.

## ARTICLE II

### DEFINITIONS

2.1 "Allocated interest" means the undivided interest in the Common Elements, the Common Expense liability, and votes in the Association allocated to each Unit by the provisions of Section 5.3, 7.4.2 and 10.6 of this Declaration, pursuant to RCW 64.34.224.

2.2 "Assessment" means all sums chargeable by the Association against a Unit including, without limitation: (a) Regular and special Assessments for Common Expenses, charges, and fines imposed by the Association; (b) interest and late charges on any delinquent account; and (c) costs of collection, including reasonable attorneys' fees, incurred by the Association in connection with the collection of a delinquent Owner's account.

2.3 "Association" or "Unit Owners' Association" means the Unit Owners' Association organized under RCW 64.34.300.

2.4 "Board of Directors" means the body with primary authority to manage the affairs of the Association.

2.5 "Common Elements" means all portions of a Condominium other than the Units. The term "General Common Elements" is sometimes used herein to describe Common Elements which are not or have not yet been allocated as Limited Common Elements.

2.6 "Common Expenses" means expenditures made by or financial liabilities of the Association, together with any allocations to reserves.

2.7 "Common Expense liability" means the liability for Common Expenses allocated to each Unit pursuant to RCW 64.34.224, and Section 10.6 of this Declaration.

2.8 "Condominium" means real property, portions of which are designated for separate ownership and the remainder of which is designated for common ownership solely by the Owners of those portions. Real property is not a Condominium unless the undivided interests in the Common Elements are vested in the Unit Owners, and unless a Declaration and a Survey Map and Plans have been recorded pursuant to the Condominium Act.

2.9 "Condominium Instruments" means the Declaration, the Survey Map and Plans, and the Bylaws of the Association.

2.10 "Conversion condominium" generally means a condominium which, prior to its creation, was lawfully occupied wholly or partially by one or more residential tenants or subtenants. This term is specifically defined at RCW 64.34.020(10). This Condominium does not constitute a conversion condominium.

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2.11 "Conveyance" means any transfer of the ownership of a Unit, including a transfer by deed or by real estate contract, but shall not include a transfer solely for security.

2.12 "Declarant" means the entity, person or group of persons acting in concert who (a) executed the Condominium Declaration for this Condominium.

2.13 "Declarant control" means the right of the Declarant or persons designated by the Declarant to appoint and remove officers and members of the Board of Directors or to veto or approve a proposed action of the Board or Association pursuant to RCW 64.34.308(4) or (5).

2.14 "Declaration" means the document that creates a Condominium by setting forth the information required by RCW 64.34.216, and any amendments to that document.

2.15 "Development Rights" means any right or combination of rights reserved by the Declarant in the Declaration to: (a) Add real property or improvements to the Condominium; (b) create Units, Common Elements, or Limited Common Elements within real property included or added to the Condominium; (c) subdivide Units or convert Units into Common Elements; or (d) withdraw real property from the Condominium; or (e) reallocate Limited Common Elements with respect to Units that have not been conveyed by the Declarant. In this Condominium, Development rights are described in Section 3.3 hereof.

2.16 "Dispose" or "disposition" means a voluntary transfer or conveyance to a purchaser or lessee of any legal or equitable interest in a Unit, but does not include the transfer or release of a security interest.

2.17 "Eligible Insurer" means the insurer or guarantor of a mortgage on a Unit that has filed with the secretary of the Association a written request that it be given copies of notices of any action by the Association that requires the consent of mortgagees.

2.18 "Eligible Mortgagee" means the holder of a mortgage on a Unit that has filed with the secretary of the Association a written request that it be given copies of notices of any action by the Association that requires the consent of mortgagees. The term "Eligible Mortgagee" also includes the "servicer" of a mortgage which has been acquired or securitized by secondary mortgage market entities such as the Federal National Mortgage Association ("FNMA" or "Fannie Mae") or the Federal Home Loan Mortgage Corporation ("FHLMC" or "Freddie Mac") or the like.

2.19 "Foreclosure" means a forfeiture or judicial or nonjudicial foreclosure of a mortgage or a deed in lieu thereof.

2.20 "Identifying number" means a symbol or address that represents the designation of each Unit or, in some cases, a Common Element component, in the Condominium. A list of identifying numbers for all the Units in the Condominium in existence as of the effective date of this original Declaration, along with other information required by the Condominium Act, is attached as Exhibit B to this Declaration, where such identifying numbers are listed in a column below the words "Unit No."

2.21 "Leasehold Condominium" means a Condominium in which all or a portion of the real property is subject to a lease, the expiration or termination of which will terminate the Condominium or reduce its size. This Condominium is not a leasehold Condominium.

2.22 "Limited Common Element" means a portion of the Common Elements allocated by Article VI of the Declaration or by operation of RCW 64.34.204(2) or (4) for the exclusive use of one or more but fewer than all of the Units.

2.23 "Master Association" means an organization described in RCW 64.34.276.

2.24 "Mortgage" means a mortgage, deed of trust or real estate contract.

2.25 "Person" means a natural person, corporation, partnership, limited partnership, trust, governmental subdivision or agency, or other legal entity.

2.26 "Purchaser" means any person, other than the Declarant or a dealer, who by means of a disposition acquires a legal or equitable interest in a Unit other than (a) a leasehold interest, including renewal options, of less than twenty years at the time of creation of the Unit, or (b) as security for an obligation.

2.27 "Real property" means any fee, leasehold or other estate or interest in, over, or under land, including structures, fixtures, and other improvements thereon and easements, rights and interests appurtenant thereto which by custom, usage, or law pass with a conveyance of land although not described in the contract of sale or instrument of conveyance. "Real property" includes parcels, with or without upper or lower boundaries, and spaces that may be filled with air or water.

2.28 "Residential purposes" means use for dwelling or recreational purposes, or both.

2.29 "Survey Map or 'Survey Map and Plans': Contemporaneously with the recordation of the original Declaration for this Condominium, its Declarant recorded with the Auditor of Whatcom County, Washington, at Auditor's File No 901030215, a certain survey map and Condominium plans, showing the location and dimensions of the land described in Exhibit "A" and the location and dimensions of the improvements thereupon constructed or contemplated to be constructed. The Survey Map and Plans were amended four times by documents recorded at Auditor's File Numbers 910214091, 910806090, 910620178, and 910508092 respectively, records of Whatcom County, Washington. All such documents are hereinafter together referred to as the "Survey Map" or the "Survey Map and Plans."

2.30 "Timeshare" shall have the same meaning specified in the timeshare act, RCW 64.36.010(11).

2.31 "Unit" means a physical portion of the Condominium designated for separate ownership, the boundaries of which are described pursuant to RCW 64.34.216(1)(d) "Separate ownership" includes leasing a Unit in a leasehold Condominium under a lease that expires contemporaneously with any lease, the expiration or termination of which will remove the Unit from the Condominium.

2.32 "Unit Owner" means the Declarant or any other person who owns a Unit or leases a Unit in a leasehold Condominium under a lease that expires simultaneously with any lease, the expiration or termination of which will remove the Unit from the Condominium, but does not include a person who has an interest in a Unit solely as security for an obligation. "Unit Owner" means the vendee, not the vendor, of a Unit under a real estate contract.

**ARTICLE III**  
**DESCRIPTION OF LAND, BUILDINGS, AND**  
**MASTER SUBDIVISIONS**

**3.1    Land.**

The land on which the buildings and improvements of this Condominium are located is situated at 1200-1268 Northwind Circle, and 5069-5081 Northwind Court, Bellingham, Whatcom County, Washington 98226, and is more particularly described in Exhibit "A" which is attached hereto and incorporated herein.

**3.2    Buildings.**

The Condominium contains 61 buildings depicted on the Survey Map and Plans.

**3.3    Development Rights.**

The Condominium was developed in multiple phases by its Declarant, which retains no Development Rights in this Condominium.

**3.4    Master Subdivision.**

This Condominium is part of a master subdivision known as Cordata Business Park, a Planned Unit Development, protective covenants for which are recorded at Auditor's File No. 1546328, in Volume 018, at pages 1803-1877 in the Auditor's Office of Whatcom County, Washington. These covenants affect all property and property Owners within said subdivision, including this Condominium and all Unit Owners therein. Said recorded covenants are hereinafter referred to, collectively, as the Master Subdivision Deed.

**ARTICLE IV**

**UNITS**

**4.1    Number and Location.**

The Condominium contains 60 Units which are depicted on the Survey Map and Plans. The location of existing Units within the buildings and their dimensions are shown on the Condominium Survey Map and Plans. Exhibit B hereto contains a list of all Units, their identifying numbers, location, style and the Allocated Interests appurtenant to each Unit.

**4.2    Unit Boundaries.**

The boundaries of each Unit are as follows:

**4.2.1    Upper and Lower (horizontal) Boundaries.** The upper and lower boundaries of the Unit shall be the following boundaries extended to an intersection with the vertical (perimetric) boundaries.

(a) **Upper Boundary:** The horizontal plane of the bottom surface of the wood joists of the ceiling except where there is a dropped ceiling in which locations the upper boundary shall be the horizontal plane which includes the top side of the plasterboard or acoustical tile, as the case may be, of the dropped ceiling.

(b) **Lower Boundary:** The horizontal plane of the top surface of the undecorated concrete floor slab or subflooring material, as the case may be.

(c) The floor of the second level of a two-story Unit constitutes a part of the Unit rather than a horizontal boundary thereof.

**4.2.2 Vertical (perimetric) Boundaries.** The vertical boundaries of the Unit shall be the vertical planes which include the back surface of the plaster, panelling or plasterboard, as the case may be, of all walls bounding the Unit, extended to intersections with each other and with the upper and lower boundaries.

#### **4.3 Monuments as Boundaries.**

The physical boundaries of a Unit constructed in substantial accordance with the original Survey Map and Plans constitute its boundaries rather than any metes and bounds expressed in the Survey Map or Plans, regardless of settling or lateral movement of the building or minor variance between boundaries shown on the Survey Map or Plans and those of the building.

#### **4.4 Additional Items Included in Units.**

Each Unit contains: (i) all nonstructural interior partition walls located within the boundaries of the Unit; (ii) the decorated surfaces of all boundary walls, ceilings and floors, including any wallpaper, paint, lath, wallboard, plastering, carpeting, floor and wall tiles and other floor coverings and all other finishing materials; and (iii) all interior doors and all immediately visible fixtures, appliances, mechanical, electrical and intercom systems and equipment, heating and air-conditioning units installed for the sole and exclusive use of the Unit, commencing at the point of disconnection from the structural body of the building or from utility lines, pipes or systems serving any Unit.

#### **4.5 Items Excluded from a Unit.**

A Unit shall be deemed not to include: pipes, wires, conduits and other public utility lines running through a Unit which are utilized for or serve more than one Unit, and all other property and fixtures of any kind which are not removable without jeopardizing the soundness, safety or usefulness of the remainder of the Condominium.

#### **4.6 Maintenance of Units.**

Each Unit Owner shall, at his or her sole expense, have the right and the duty to keep the interior of his or her Unit and its equipment, appliances, and appurtenances in good order, condition and repair and shall do all redecorating and painting at any time necessary to maintain the good appearance and condition of his or her Unit. Each Owner shall be responsible for the maintenance, repair or replacement of any pipes or wires located within the boundaries of a Unit, or of any fixtures, appliances, systems and equipment described in Section 4.4(iii) hereof. This section shall not be construed as permitting any interference with or damage to the structural integrity of the building or interference with the use and enjoyment of the Common Elements or of the other Units or any



of them, nor shall it be construed to limit the powers or obligations of the Board hereunder. See also Section 8.4.2(g) of this Declaration.

**4.7    Alterations of Units.**

Subject to the provisions of this Declaration and other provisions of law, a Unit Owner:

4.7.1 May make any improvements or alterations to the Owner's Unit that do not affect the structural integrity or mechanical or electrical systems or lessen the support of any portion of the Condominium;

4.7.2 May not change the appearance of the Common Elements or the exterior appearance of a Unit without permission of the Association.

**ARTICLE V**

**COMMON ELEMENTS**

**5.1    Common Elements.**

Except as otherwise specifically reserved, assigned or limited by the provisions of Article VI hereof, the Common Elements of the Condominium, which may also be referred to as "General Common Elements," consist of the following:

5.1.1 The land above described, including all open spaces depicted on the Survey Map.

5.1.2 The roofs, foundations, columns, girders, studding, joists, beams, supports, main walls (as opposed to nonbearing interior partitions of Units), and all other structural parts of the buildings, to the boundaries of the Units as described above in Section 4.2.

5.1.3 Installations of central services such as power, light, gas, water, sewer, and in general all apparatus and installations existing for common use rather than for any one Unit.

5.1.4 The private roadways known as Northwind Circle and Northwind Court and any guest parking spaces or other parking areas not assigned to Units.

5.1.5 The landscaped areas and walkways which surround and provide access to the buildings, other than those yard areas described in Section 6.1.1 hereof.

5.1.6 The Clubhouse depicted on the Survey Map and Plans.

5.1.7 All other parts of the property necessary or convenient to its existence, maintenance and safety, or normally in common use.

**5.2    Partition, Conveyance, or Encumbrance.**

5.2.1 Except as permitted by this Declaration or the Condominium Act, the Common Elements shall remain undivided and shall not be abandoned by act or omission, and no Unit Owner or other person may bring any action for partition or division of the Common Elements, except as

provided in Section 6.4 hereof. Portions of the Common Elements which are not necessary for the habitability of a Unit may be conveyed or subjected to a security interest by the Association, subject to RCW 64.34.348, if the Owners of Units to which at least eighty percent of the votes in the Association are allocated, including eighty percent of the votes allocated to Units not owned by the Declarant or an affiliate of the Declarant, along with that percentage of Eligible Mortgagees specified in Article XV of this Declaration consent to this action; but all the Owners of Units to which any Limited Common Element is allocated must agree in order to convey that Limited Common Element or subject it to a security interest. Proceeds of the sale or financing of General Common Elements are an asset of the Association. Proceeds of the sale or financing of a Limited Common Element may be allocated between the Association and the Unit(s) to which it was formerly appurtenant, in such reasonable proportion as the Association and Unit Owner(s) may agree, subject to Section 5.2.2 hereof.

**5.2.2** An agreement to convey Common Elements or subject them to a security interest must be evidenced by the execution of an agreement, or ratifications thereof, in the same manner as required for deeds, by the requisite number of Unit Owners. The agreement must specify a date after which the agreement will be void unless recorded before that date. The agreement and all ratifications thereof must be recorded in every county in which a portion of the Condominium is situated and is effective only upon recording.

**5.2.3** Any purported conveyance, encumbrance, or other voluntary transfer of Common Elements, unless made pursuant to this section, is void. A conveyance or encumbrance of Common Elements pursuant to this section shall not deprive any Unit of its rights of access and support, nor shall it affect the priority or validity of preexisting encumbrances.

**5.3** Allocated Interests.

Pursuant to RCW 64.34.224(1), the Declarant allocated to each Unit in the Condominium an undivided interest in the Common Elements of the Condominium, which is known as the Unit's Allocated Interest in the Common Elements. The allocation of these undivided interests has been determined generally on the basis of equality. Each Unit's Allocated Interest in the Common Elements is expressed as a percentage and is stated with particularity on the attached Exhibit B.

**5.4** Maintenance, Repair and Replacement.

The Association is responsible for maintenance, repair, and replacement of the Common Elements, including the Limited Common Elements, with the exception of the Limited Common Elements identified in Section 6.1.1 hereof, any pipes and wires located within the boundaries of a Unit, and of air conditioning compressors, generators or the like installed by a Unit Owner, or fireplace inserts, any or all of which shall be the responsibility of such Unit Owner.

**5.5** Right of Access.

Each Unit Owner shall afford to the Association and the other Unit Owners, and to their agents or employees, access through the Owner's Unit and Limited Common Elements appurtenant thereto as may be reasonably necessary for the purposes of maintenance, repair and replacement. If damage is inflicted on the Common Elements, or on any Unit through which access is taken, the Unit Owner responsible for the damage, or the Association if it is responsible, shall be liable for the repair thereof, as provided in Section 8.5 hereof.

**5.6 Parking Spaces.**

The Condominium contains a total of 246 parking spaces. Two hundred forty (240) of these parking spaces, with the exception of specially designated handicapped spaces, are assigned for the exclusive use of individual Unit Owners pursuant to Section 6.1 of this Declaration. Any unassigned parking spaces shall be considered to be visitors parking spaces or handicapped spaces, as the case may be. Use of all parking spaces shall be governed by the provisions of Section 9.1.3 hereof.

**ARTICLE VI**

**LIMITED COMMON ELEMENTS**

**6.1 Limited Common Elements.**

Limited Common Elements are those portions of the Common Elements allocated to and reserved for the exclusive use of one or more, but fewer than all of the Units. They consist of:

6.1.1 The yard areas which are immediately adjacent to the Units and are shown on the Survey Map and Plans, along with any decks or patios located therein.

6.1.2 Any shutters, awnings, window boxes, doorsteps, stoops, air conditioning compressors, generators, and all exterior doors and windows or other fixtures designed to serve a single Unit, but which are located outside the Unit's boundaries. If any pipe, wire, conduit, or any other fixture lies partially within and partially outside the designated boundaries of a Unit, any portion thereof serving only that Unit is a Limited Common Element allocated solely to that Unit, and any portion thereof serving more than one Unit or any portion of the Common Elements is a part of the General Common Elements.

6.1.3 The garage and other parking spaces which are shown on the Survey Map which are assigned as follows: each Unit has allocated to it four (4) parking spaces; two such spaces are in the garage attached to such Unit, and two are located in front of the garage in the driveway area.

**6.2 Maintenance.**

The Owners of the respective Units to which the above-described Limited Common Elements are appurtenant shall be responsible for cleaning and caring for such Limited Common Elements, and keeping them in sightly condition. The Association shall have exclusive control of painting, decorating, repairing, reconstructing and maintaining all Limited Common Elements, with the exception of the Limited Common Elements identified in Section 5.4 hereof. Maintenance, painting, repair or replacement of the structure and finish of the Limited Common Elements shall be a Common Expense.

**6.3 Reallocation Between Units.**

A Limited Common Element, other than one described in Section 6.1.2 or 6.1.3 hereof (which may not be reallocated), may be reallocated between Units, but only with the approval of the Board of Directors and by an amendment to the Declaration executed by the Owners of the Units to which the Limited Common Element was and will be allocated. The Board of Directors shall approve the request of the Owner or Owners under this subsection within thirty days, unless the proposed reallocation does not comply with the Condominium Act or this Declaration. The failure of the

Board of Directors to act upon a request within such period shall be deemed approval thereof. The amendment shall be recorded in the names of the parties and of the Condominium. This subsection shall not apply to a reallocation occurring through exercise of a Development Right.

6.4 Change in Character.

A Limited Common Element may be (a) created from and reallocated to one or more Units from the General Common Elements, or (b) incorporated into an existing Unit or Units, only on the following conditions. Owners of Units to which at least sixty-seven percent of the votes in the Association are allocated, including the Owner(s) of the Unit(s) to which the Limited Common Element will be assigned or incorporated, along with that percentage of Eligible Mortgagees specified in Article XV of this Declaration, must agree to reallocate a Common Element as a Limited Common Element or to incorporate a General Common Element or a Limited Common Element into an existing Unit. Such reallocation or incorporation shall be reflected in an amendment to the Declaration and Survey Map or Plans.

ARTICLE VII

UNIT OWNERS ASSOCIATION

7.1 Name and Form of Association.

The name of the Association shall be the "Village at Cordata, Northside, Condominium Association." The Association was incorporated by the Declarant prior to the first conveyance of a Unit in the Condominium as a non-profit corporation under the laws of the State of Washington. The rights and duties of the members and of said corporation shall be governed by the provisions of the Condominium Act and of this Declaration. The Association shall remain organized as a profit or nonprofit corporation. In case of any conflict between Title 23B RCW, the business corporation act, chapter 24.03 RCW, the nonprofit corporation act, or chapter 24.06 RCW, the nonprofit miscellaneous and mutual corporations act, and the Condominium Act, the Condominium Act shall control.

7.2 Powers of Association.

The Association shall, through its Board of Directors, have the power to:

7.2.1 Adopt and amend bylaws, rules and regulations;

7.2.2 Adopt and amend budgets for revenues, expenditures, and reserves, and impose and collect Assessments for Common Expenses from Unit Owners;

7.2.3 Hire and discharge or contract with managing agents and other employees, agents, and independent contractors;

7.2.4 Institute, defend, or intervene in litigation or administrative proceedings in its own name on behalf of itself or two or more Unit Owners on matters affecting the Condominium;

7.2.5 Make contracts and incur liabilities;

7.2.6 Regulate the use, maintenance, repair, replacement, and modification of Common Elements;

7.2.7 Cause additional improvements to be made as a part of the Common Elements;

7.2.8 Acquire, hold, encumber, and convey in its own name any right, title, or interest to real or personal property, but Common Elements may be conveyed or subjected to a security interest only pursuant to Section 5.2 hereof;

7.2.9 Grant easements, licenses, and concessions through or over the Common Elements, subject to the provisions of Article XV hereof, and petition for or consent to the vacation of streets and alleys;

7.2.10 Impose and collect any payments, fees, or charges for the use, rental, or operation of certain Common Elements, and for services provided to Unit Owners;

7.2.11 Impose and collect reasonable charges for late payment of Assessments and, after notice and an opportunity to be heard by the Board of Directors or by such representatives thereof designated by the Board of Directors, and in accordance with such procedures as provided in this Declaration or Bylaws or Rules and Regulations adopted by the Board of Directors, levy reasonable fines in accordance with a previously established schedule thereof adopted by the Board of Directors and furnished to the Owners for violations of this Declaration, Bylaws, and Rules and Regulations of the Association;

7.2.12 Impose and collect reasonable charges for the preparation and recording of amendments to the Condominium Instruments, resale certificates required by RCW 64.34.425, and statements of unpaid Assessments;

7.2.13 Provide for the indemnification of its officers and Board of Directors and maintain directors' and officers' liability insurance;

7.2.14 Exercise any other powers conferred by the Declaration or Bylaws;

7.2.15 Exercise all other powers that may be exercised in the State of Washington by the same type of corporation as the Association; and

7.2.16 Exercise any other powers necessary and proper for the governance and operation of the Association.

### 7.3 Membership.

#### 7.3.1 Qualification.

Each fee Owner (including Declarant), or real estate contract vendee of a Unit in the Condominium, shall be a member of the Association. Ownership of a Unit shall be the sole qualification for membership in the Association, and the membership of the Association at all times shall consist exclusively of all the Unit Owners.

#### 7.3.2 Transfer of Membership.

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The Association membership of each Owner (including Declarant) shall be appurtenant to the Unit giving rise to such membership, and shall not be assigned, transferred, pledged, hypothecated, conveyed or alienated in any way except upon the transfer of title to said Unit and then only to the transferee of title to such Unit. Any attempt to make a prohibited transfer shall be void. Any transfer of title to a Unit shall operate automatically to transfer the membership in the Association appurtenant thereto to the new Owner thereof.

#### 7.4 Voting.

##### 7.4.1 Voting Rights.

Each Unit Owner has a right to vote at meetings of the Association, on such matters as may lawfully come before such meetings. The total number of votes available to each Owner shall be equal to the Allocated Interest for voting appertaining to his or her Unit, as described in Section 7.4.2 hereof.

##### 7.4.2 Allocated Interests.

Pursuant to RCW 64.34.224(1), the Declarant allocated to each Unit in the Condominium a vote in the Association which is known as the Unit's Allocated Interest for voting, or "vote". The allocation of voting power among the Units has been determined generally on the basis of equality. Each Unit's Allocated Interest for voting is expressed as a percentage of the total voting power and is stated with particularity on the attached Exhibit B.

##### 7.4.3 Joint Owner Disputes.

The vote for a Unit must be cast as a single vote, and fractional votes shall not be allowed. If only one of the multiple Owners of a Unit is present at a meeting of the Association, in person or by proxy or written ballot, the Owner is entitled to cast all the votes allocated to that Unit. If more than one of the multiple Owners are so present, the votes allocated to that Unit may be cast only in accordance with the agreement of a majority in interest of the multiple Owners. There is majority agreement if any one of the multiple Owners casts the votes allocated to that Unit without protest being made promptly to the person presiding over the meeting by any of the other Owners of the Unit. In the absence of majority agreement, the conflicting votes shall be deemed an abstention of the vote for such Unit.

##### 7.4.4 Proxies and Voting by Written Ballot.

Votes allocated to a Unit may be cast pursuant to a written ballot or proxy, duly executed by the Unit Owner and delivered to the Association's Secretary or the Officer presiding at the meeting, in person or by mail, at or before the commencement of the meeting. If a Unit is owned by more than one person, each Owner of the Unit may vote or register protest to the casting of votes by the other Owners of the Unit through a duly executed proxy. An Owner may not revoke a proxy given pursuant to this section except by actual notice of revocation to the person presiding over a meeting of the Association. A proxy is void if it is not dated or purports to be revocable without notice. Unless stated otherwise in the proxy, a proxy terminates eleven months after its date of issuance.

#### **7.4.5 Quorums.**

A quorum is present throughout any meeting of the Association if the Owners of Units to which at least twenty-five percent of the votes of the Association are allocated are present in person or by proxy or written ballot at the beginning of the meeting.

#### **7.4.6 Units Owned by Association.**

No votes allocated to a Unit owned by the Association may be cast, and in determining the percentage of votes required to act on any matter, the votes allocated to Units owned by the Association shall be disregarded.

### **7.5 Meetings, Notices of Meetings.**

#### **7.5.1 Annual Meetings.**

There shall be an annual meeting of the Association for the principal purpose of electing the Board of Directors, which shall be held in the first quarter of each year at such reasonable place and time as may be designated by written notice of the Board delivered to the Owners not less than ten (10) nor more than sixty (60) days prior to the date fixed for said meeting. At the annual meeting, there shall be presented a report by the Board of Directors containing, at minimum, the following information:

(a) A balance sheet and a revenue and expense statement of the Association prepared on an accrual basis, which shall be current to sixty days;

(b) The annual financial statement of the Association, including the audit report required by Section 8.9 hereof, if it has been prepared, for the year immediately preceding the current year.

(c) A statement of the amount of any reserves for repair or replacement and of any portions of those reserves currently designated by the Association for any specified projects;

(d) A statement of any anticipated repair or replacement cost in excess of five percent of the annual budget of the Association that has been approved by the Board of Directors; and

(e) A statement of any unsatisfied judgments against the Association and the status of any pending suits to which the Association is a party.

#### **7.5.2 Special Meetings.**

Special meetings of the Owners may be called at any time for the purpose of considering matters which by the terms of the Condominium Act or of this Declaration require the approval of all or some of the Owners, or for any other reasonable purpose. Such meetings shall be called by written notice of the president of the Association upon the decision of the president, or after request signed by a majority of the Board, or by written request by the Owners having at least 20% of the total votes, which notice shall be delivered not less than ten (10) nor more than sixty (60) days prior to the date fixed for said meeting. The notice shall specify the place, day and hour of the meeting, and a general description of the matters to be considered. In the event that a special meeting is called to approve an annual Budget, or to approve changes to a previously approved Budget that



result in a change of Assessment obligations, the notice shall be given not less than fourteen (14) days in advance of the meeting.

7.6 Bylaws of Association.

7.6.1 Initial Bylaws.

Bylaws for the administration of the Association and the property, and for other purposes not inconsistent with the Condominium Act and this Declaration have been prepared by the Declarant.

7.6.2 Amendment of Bylaws.

Amendments to the Bylaws may be adopted by the concurrence of Owners holding at least 51% of the voting power in the Association at a regular or special meeting. Notice of time and place of such meeting together with changes to be voted on shall be delivered to each Unit Owner at least thirty (30) days prior to such meeting.

ARTICLE VIII

MANAGEMENT OF CONDOMINIUM

8.1 Management by Declarant.

The Declarant, pursuant to RCW 64.34.308, has reserved certain Special Declarant Rights described more fully in the original Declaration. Those rights have now expired.

8.2 Management by Unit Owners' Board.

The Association shall be managed by a Board of Directors of at least seven members, all of whom must be Unit Owners. The Board of Directors shall elect the officers of the Association. Such members of the Board of Directors and officers shall take office upon election.

8.3 Professional Management.

8.3.1 Authority.

The Board may employ a professional Manager or Managing Agent, (which terms shall be interchangeable herein), to assist the Board in discharging its responsibilities to the Association.

8.3.2 Scope of Delegation.

The Board of Directors may delegate to the Managing Agent all of the powers granted to the Board of Directors of the Association by this Declaration other than the powers to amend the Condominium Instruments or Rules and Regulations, to make Assessments against Unit Owners or determine the manner for doing so, to open bank accounts for the Association or to designate the signatories thereon, to borrow money on behalf of the Association, or to acquire any real property or any personal property with a value in excess of Five Hundred Dollars in absence of a special resolution of the Board.

### 8.3.3 Management Agreement.

In the event the Declarant or the Board enters into a management agreement with a professional Manager or Managing Agent, said agreement shall be in writing and shall contain provisions authorizing termination of the agreement without penalty by the Owners' Association for cause upon thirty (30) days' written notice or without cause upon ninety (90) days' written notice and shall not exceed a term of one (1) year, renewable by agreement of the parties for successive one-year periods.

### 8.3.4 Termination.

A decision to terminate professional management, once established, and assume self-management by the Association may first require the prior written approval of that percentage of Eligible Mortgagees specified in Article XV of this Declaration.

## 8.4 Authority of the Board.

### 8.4.1 General Authority.

The Board, for the benefit of the Condominium and the Owners, shall enforce the provisions of this Declaration, the Bylaws, and Rules and Regulations, and shall have all powers and authority granted to the Board or the Association under the Condominium Act and this Declaration, which are not expressly subject to the approval of Unit Owners.

### 8.4.2 Common Expenses.

The Board shall acquire and shall pay for, as Common Expenses, all goods and services requisite for the proper functioning of the Condominium, including, but not limited to, the following:

- (a) Water, sewer, garbage collection, common electrical, common gas, and any other necessary utility service as required for the Common Elements.
- (b) Policies of insurance or bonds required by Article XI.
- (c) The services of persons or firms as required to properly manage the affairs of the Condominium to the extent deemed advisable by the Board as well as such other personnel as the Board shall determine are necessary or proper for the operation of the Common Elements, whether such personnel are employed directly by the Board or are furnished by a Manager.
- (d) The services of attorneys, along with bookkeepers and accountants qualified to maintain Association records in the manner required by Section 8.8 hereof, and to perform the independent audit required by Section 8.9 hereof.
- (e) Painting, maintenance, repair and all landscaping and gardening work for the Common Elements, and such furnishings and equipment for the Common Elements as the Board shall determine are necessary and proper.
- (f) Any other materials, supplies, labor, services, maintenance, repairs, structural alterations, insurance, taxes or assessments which the Board is required to by law to pay or procure or which in its opinion shall be necessary or proper for the operation of the Condominium, the

maintenance, repair or replacement of the Common Elements, or for the enforcement of this Declaration.

(g) Maintenance and repair of any Unit, its appurtenances and appliances, if such maintenance or repair is reasonably necessary, in the opinion of the Board, to protect the Common Elements or preserve the appearance and value of the Condominium development, and the Owner of said Unit has failed or refused to perform said maintenance or repair as required by Section 4.6 hereof within a reasonable time after written notice of the necessity of said maintenance or repair has been delivered by the Board to the Owner; the cost of such maintenance or repair shall constitute a special Assessment against the Unit of such Owner, pursuant to Section 10.7.2 hereof.

(h) All costs of maintenance, repair or replacement of the private roads described in Section 5.1.4 hereof.

(i) All dues or assessments owing to the governing body of the Master Subdivision described in Section 3.4 hereof.

#### **8.4.3 Liens or Encumbrances.**

The Board may also pay any amount necessary to discharge any lien or encumbrance levied against the entire property or any part thereof which is claimed to or may, in the opinion of the Board, constitute a lien against the property or against the Common Elements, rather than merely against the interest therein of particular Owners. Where one or more Owners are responsible for the existence of such lien, they shall be jointly and severally liable for the cost of discharging it, and any costs and expenses incurred by the Board by reason of such lien or liens shall constitute Special Assessments against the Units responsible, to the extent of their responsibility.

#### **8.4.4 Acquisition of Property.**

The Board may, from common funds of the Association, acquire and hold in the name of the Association, for the benefit of the Owners, tangible and intangible personal property and real property and interests therein, and may dispose of the same by sale or otherwise; and the beneficial interest in such property shall be owned by the Owners in the same proportion as their respective interests in the Common Elements. Such property shall thereafter be held, sold, leased, rented, mortgaged or otherwise dealt with for the benefit of the Association as the Board may direct. The Board shall not, however, in any case acquire real property or personal property valued in excess of Two Thousand Dollars (\$2,000) by lease or purchase except upon a majority vote of the Unit Owners.

#### **8.4.5 No Business Authority.**

Nothing herein contained shall be construed to give the Board authority to conduct an active business for profit on behalf of all of the Owners or any of them.

#### **8.5 Right of Entry.**

The Board and its agents or employees may enter any Unit or Limited Common Elements when necessary in connection with any maintenance, landscaping or construction for which the Board is responsible or in the event of emergencies. Except in the case of an emergency, reasonable advance notice shall be given to the Unit Owner and, if applicable, to any lawful tenant or subtenant

in the Unit. Such entry shall be made with as little inconvenience to the Owners as practicable, and any damage caused thereby shall be repaired by the Board out of the Common Expense fund if the entry was due to an emergency (unless the emergency was caused by the Owner of the Unit entered, in which case the cost shall be specially assessed to the Unit entered) or for the purpose of maintenance, or repairs, to Common or Limited Common Elements where the repairs were undertaken by or under the direction or authority of the Board. If the repairs or maintenance were necessitated by or for the Unit entered or its Owners, or requested by its Owners, the costs thereof shall be specially assessed to such Unit.

**8.6     Board as Attorney in Fact.**

Each Owner, by the act of becoming an Owner of a Unit, shall be deemed to have irrevocably appointed the Board of Directors as his or her attorney-in-fact, with full power of substitution, to take such actions as are reasonably necessary to perform the duties of the Association and Board hereunder, including, but not limited to, the duties to maintain, repair and improve the Property, to deal with the Unit upon damage or destruction, to grant licenses and easements, and to secure and distribute condemnation awards and/or insurance proceeds.

**8.7     Limitations on Power of Board.**

The Board of Directors shall not act on behalf of the Association to amend the Declaration in any manner that requires the vote or approval of the Unit Owners pursuant to RCW 64.34.264, to terminate the Condominium pursuant to RCW 64.34.268, or to elect members of the Board of Directors or determine the qualifications, powers, and duties, or terms of office of members of the Board of Directors pursuant to subsection (6) of this section; but the Board of Directors may fill vacancies in its membership for the unexpired portion of any term.

**8.8     Association Records.**

The Board of Directors shall keep financial records sufficiently detailed to enable the Association to comply with RCW 64.34.425, regarding information to be supplied to prospective purchasers upon resale of a Unit in the Condominium, and such other records as may be required by the Bylaws. All financial and other records shall be made reasonably available for examination by any Unit Owner and the Owner's authorized agents, Eligible Mortgagees and Eligible Insurers.

**8.9     Audit of Records Required.**

The financial records of condominiums consisting of fifty or more Units are required by law to be audited at least annually by a certified public accountant.

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## ARTICLE IX

### PERMITTED USES: ARCHITECTURAL UNIFORMITY

#### 9.1 Permitted Uses.

##### 9.1.1 Residential Use.

Subject to the special provisions in Section 9.1.2 hereof, the buildings and Units shall be used for single family residential purposes only, whether on an ownership, rental or lease basis and for common social, recreational or other reasonable uses normally incident to such purposes.

##### 9.1.2 Use by Senior Citizens.

The Condominium has been designed as housing for older persons and is intended to, and shall be operated generally for occupancy by persons fifty-five (55) years of age or older, in accordance with the Public Law 100-430, September 13, 1988, and regulations later promulgated by the Secretary of HUD, thereunder. Owners and Occupants shall be subject to the following requirements:

(i) Significant facilities and services are planned to meet the physical and social needs of older persons including, but not limited to:

(a) All units are designed with at least one or more bedrooms and bathrooms on the main floor so use of steps may be avoided by occupants.

(b) Double attached garages are provided with all units for ease of movement from garage to unit. Automatic garage door openers are provided so older persons do not have to exit their vehicles to open garage doors.

(c) Expansive greenbelts and walking paths are provided for exercise and enjoyment.

(d) Common exterior maintenance services are provided so that older people who cannot handle such chores will be provided for.

(e) Clubhouse.

(f) Optional 100 square foot garden plots are permitted for older persons who enjoy gardening.

(g) The density and proximity of units have been specifically designed to serve older persons.

(ii) At least eighty percent (80%) of the occupied units at The Village at Cordata, Northside shall be occupied by at least one person fifty-five (55) years of age or older. At least ninety-five percent (95%) of the occupied units shall be occupied by at least one person forty (40) years of age or older. All permanent residents and occupants of each Unit shall be eighteen (18) years old or older, it being intended that the Condominium be a Condominium for adults or near adults; provided that newborn babies may continue to live in a Unit only until they reach the age of

one (1) year, at which time they shall be required to cease residency and occupancy of the Unit. Children under the age of eighteen (18) shall be allowed to visit Owners or Occupants of Units, but only for periods of time not to exceed two (2) weeks out of any eight (8) week period as to each particular child who may be visiting. The Board may adopt additional rules regarding such visitation and may require that any visitor under eighteen (18) years of age that it finds to be disturbing other Owners unreasonably, in the Board's determination be required to leave the premises, and may exercise its authority for specific visitors under age eighteen (18) even though other visitors under age eighteen (18) are permitted to remain. No unit shall be sold, rented or leased to any person or persons unless the standards established in this paragraph are complied with. The Association shall have the specific legal right to seek injunctive relief from the Superior Court of the State of Washington in Whatcom County with respect to any Owner or Occupant on account of noncompliance with this paragraph. Noncomplying Owner and/or Occupants may be evicted. The prevailing party in such an action shall be entitled to reasonable attorneys' fees and costs of suit.

#### 9.1.3 Vehicle Parking.

Parking spaces, except those in fully enclosed garages, are restricted to use for parking of operable, properly registered automobiles, light trucks and family vans; other items and equipment may be parked or kept therein only if expressly permitted by Rules and Regulations and only in such parking areas, if any, as may be designated for such purpose by the Board of Directors. Vehicle repairs other than ordinary light maintenance are not permitted on the Property. The Board may require removal of any inoperative or unregistered vehicle not kept in a garage, and any other equipment or item improperly stored in parking spaces. If the same is not removed, the Board may cause removal at the risk and expense of the owner thereof, under such reasonable procedures as may be provided by Rules and Regulations adopted by the Association. Any designated visitors parking areas shall be restricted to limited interval use by residents, and otherwise left open for use by visitors, guests, invitees and licensees of Unit Owners and their tenants. Handicapped spaces shall remain open for use by vehicles properly designated for handicapped use.

#### 9.1.4 Interference with Common Elements.

No Unit Owner shall obstruct any of the Common Elements nor shall any Unit Owner place or cause or permit anything to be placed on or in any of the Common Elements without the approval of the Board. Nothing shall be altered or constructed in or removed from the Common Elements except with the prior written consent of the Board of Directors.

#### 9.1.5 Effect on Insurance.

Nothing shall be done or maintained in any Unit or in the Common Elements which will increase the rate of insurance on the Common Elements or Units without the prior written consent of the Board. No Owner shall permit anything to be done or maintained in his or her Unit or in the Common Elements which will result in the cancellation of insurance on any Unit or any part of the Common Elements.

#### 9.1.6 Signs.

No sign of any kind shall be displayed to the public view on or from any Unit or Common Elements without the prior consent of the Board; provided that this section shall not be deemed to prohibit the Owner of a Unit from displaying a sign for a period of time in which the Owner's Unit is for sale or rent.

#### 9.1.7 Animals.

The maintenance, keeping, boarding and/or raising of animals, livestock, poultry, or reptiles of any kind, regardless of number, shall be and is prohibited within any Unit or upon the Common Elements, except that the keeping of small birds, seeing eye dogs and other well-behaved dogs, aquarium fish, cats and other limited types of species of animals which do not normally leave the Unit is permitted, subject to the Rules and Regulations adopted by the Board of Directors. Any Unit Owner who keeps or maintains any animal upon any portion of the Property shall be deemed to have indemnified and agreed to hold the Unit Owners Association, and each Unit Owner free and harmless from any loss, claim or liability of any kind or character whatever arising by reason of keeping or maintaining such animal within the Condominium. All animals shall be registered and inoculated as required by law. The Board of Directors may require that any permitted pets be neutered and may establish reasonable fees for registration of animals not to exceed the additional costs incurred by the Unit Owners Association resulting from the presence of such animals. The Board may at any time require the removal of any animal which it finds is or has become an unreasonable source of annoyance, and may exercise this authority for specific animals even though other animals are permitted to remain. Unit Owners shall not permit dogs to defecate anywhere within the General Common Elements.

#### 9.1.8 Offensive or Illegal Activity.

No noxious, offensive or illegal activity shall be carried on in any Unit or Common Elements, nor shall anything be done therein which may be or become an unreasonable source of annoyance or nuisance to other Owners.

#### 9.1.9 Lease Restrictions.

With the exception of an institutional lender in possession of a Unit following a default under a first mortgage, a foreclosure proceeding or any deed or other arrangement in lieu of foreclosure, no Unit Owner shall be permitted to lease his or her Unit for periods of less than 30 days. No Unit Owner may lease less than the entire Unit. Any lease agreement shall be required and deemed to provide that the terms of the lease shall be subject in all respects to the provisions of this Declaration, the Bylaws and Rules and Regulations, and that any failure by the Lessee to comply with such provisions shall be a default under the lease, entitling the Association to enforce such provisions as a real party in interest. All leases shall be in writing. A lease, as defined herein, shall include month-to-month rentals. Other than the foregoing, there is no restriction on the right of any Unit Owner to lease his or her Unit. See also Sections 10.12 and 10.20 of this Declaration.

#### 9.1.10 Assignment or Subletting.

The assignment or subleasing of a Unit shall be subject to the same limitations as are applicable to the leasing or renting thereof. An Owner or tenant may not exempt himself or herself from any liability under this Declaration or the Bylaws or Rules and Regulations by assigning or subleasing the occupancy rights to his or her Unit.



9.1.11 Timesharing.

Timesharing is not permitted in this Condominium, and no Unit in the Condominium may be conveyed or held pursuant to any timeshare plan.

9.2 Architectural Uniformity.

9.2.1 Exterior Appearance.

In order to preserve a uniform exterior appearance to the buildings, and the Common Elements visible to the public, the Board shall provide for or regulate the painting and other decorative finish of the buildings, decks, or other Common Elements, and may prohibit or regulate any modification or decoration of the decks or other Common Elements undertaken or proposed by any Owner. This power of the Board extends to screens, doors, awnings, rails or other visible portions of each Unit and any Limited Common Elements appurtenant thereto. The Board may also require use of a uniform color of draperies, blinds, under draperies or drapery lining for all Units.

**ARTICLE X**

**COMMON EXPENSES AND ASSESSMENTS**

10.1 Budget for Common Expenses.

Within thirty (30) days following the Annual meeting of the Association, or at such other time as may be deemed necessary or desirable by the Association's accountant, the Board shall prepare an Annual Budget which shall estimate the Common Expenses, described generally in Sections 2.6 and 8.4.2 of this Declaration, to be paid during such year. The Budget shall make provision for creating, funding and maintaining reserves required by Section 10.3 hereof, and shall take into account any expected income and any surplus available from the prior year's operating fund.

10.2 Meeting of Association to Approve Budget.

Within thirty days after adoption of any proposed budget for the Condominium, the Board of Directors shall provide a summary of the budget to all the Unit Owners and shall set a date for a meeting of the Unit Owners to consider ratification of the budget not less than fourteen nor more than sixty days after mailing of the summary. Unless at that meeting the Owners of Units to which a majority of the votes in the Association are allocated reject the budget, the budget is ratified, whether or not a quorum is present. In the event the proposed budget is rejected or the required notice is not given, the periodic budget last ratified by the Unit Owners shall be continued until such time as the Unit Owners ratify a subsequent budget proposed by the Board of Directors.

10.3 Reserves for Capital Improvements, Replacements, Major Repairs, and Insurance Deductibles.

The Board of Directors shall establish and maintain reasonable reserves for capital improvements, replacements, major repairs and the amount(s) of any deductible from insurance policies obtained by the Association pursuant to Article XI hereof, by providing for such reserves in the Annual Budget, segregating such reserves on the books of the Condominium, and allocating and paying quarterly to such reserves one-fourth of the total amount budgeted for such reserves for the

current fiscal year. The portion of the Units' Assessments paid into such reserves shall be conclusively deemed to be non-refundable contributions to the capital of the Condominium by the Unit Owners. Such reserves may be expended only for the purposes for which they were established. The Board may also establish and maintain reserve funds for such other purposes as may in its discretion appear advisable.

**10.3.1 Restrictions on Reserve Funds.** The Board shall have no authority to acquire and pay from the reserve funds any capital additions or improvements to the Common Elements having a total cost in excess of Five Thousand Dollars (\$5,000), without first obtaining the affirmative vote of the Owners holding a majority of the voting power present or represented at a meeting called for such purpose, or if no such meeting is held, then the written consent of voting Owners having a majority of the voting power; provided that any expenditure or contract for capital additions or improvements in excess of Twenty-Five Thousand Dollars (\$25,000) must be similarly approved by Owners having not less than 75% of the voting power.

**10.4 Assessments for Common Expenses.**

**10.4.1 Liability of Units.**

The total amount of the estimated funds required to pay the Common Expenses of the Condominium set forth in the Annual Budget adopted by the Board of Directors for the fiscal year shall be assessed against the Units in proportion to their respective Allocated Interests for Common Expense liability described in Section 10.6 hereof, except that the Board may by resolution elect that any Common Expense associated with the operation, maintenance, repair, or replacement of a Limited Common Element shall be paid by the Owner of or assessed against the Unit to which that Limited Common Element is assigned; and/or that any Common Expense or portion thereof benefiting fewer than all of the Units shall be assessed exclusively against the Units benefitted.

**10.4.2 Payable in Installments.** Unless otherwise determined by the Board of Directors, with the written approval of all Eligible Mortgagees, the annual Assessment against each Unit for its proportionate share of the Common Expenses shall be payable in 12 equal, monthly installments, and each installment shall be payable in advance on the first day of the month.

**10.5 Assessments to Pay Judgment Against Association.**

Assessments to pay a judgment against the Association pursuant to RCW 64.34.368(1) may be made only against the Units in the Condominium at the time the judgment was entered in proportion to their Allocated Interests for Common Expense Liability at the time the judgment was entered.

**10.6 Allocated Interests; Procedure on Reallocation.**

**10.6.1 Allocated Interests.**

Pursuant to RCW 64.34.224(1), the Declarant has allocated to each Unit in the Condominium a liability for payment of the Common Expenses of the Association which is known as the Unit's Allocated Interest for Common Expense Liability. The allocation of this liability among the Units has been determined generally on the basis of equality. Each Unit's Allocated Interest for Common Expense Liability is expressed as a percentage and is stated with particularity on the attached Exhibit B.

#### 10.6.2 Reallocation.

Subject to the provisions of Section 15.3 hereof, if Common Expense liabilities are reallocated, Common Expense Assessments or any installment thereof not yet due under the prevailing budget shall be recalculated by the Board in accordance with the reallocated Common Expense liabilities, and each Unit shall thereafter be liable for the revised Assessments due upon such recalculation.

#### 10.7 Special Assessments.

10.7.1 The Board of Directors may levy a Special Assessment for the purpose of defraying the cost of any unexpected repair or other nonrecurring contingency, or to meet any other deficiencies in operations or reserves occurring from time to time. The Board of Directors shall give notice to the Unit Owners of any such Special Assessment by a statement in writing giving the amount and reasons therefor, and such Special Assessments shall become due and payable, unless otherwise specified in the notice, with the next monthly Assessment payment which is due more than ten days after the delivery or mailing of such notice. All Unit Owners shall be obligated to pay the adjusted monthly amount or, if the Special Assessment is not payable in installments, the full amount of such Special Assessment, in proportion to their Allocated Interests for Common Expense Liability.

10.7.2 To the extent that any Common Expense is caused by the negligence or misconduct of any Unit Owner, the Association may, subject to the provisions of Section 13.2.7 hereof, levy a Special Assessment for that expense against the Owner's Unit. In addition and without limitation, the liability of a Unit Owner to pay for any maintenance or repair of a Limited Common Element which is the responsibility of such Unit Owner pursuant to Section 6.2 hereof, or to pay any payments, fees, charges or fines described in Sections 7.2.10 or 7.2.11 hereof, along with the costs and attorney's fees described in RCW 64.34.364(14), and interest on any delinquent account shall be deemed a Special Assessment.

#### 10.8 Accounts; Commingling Prohibited.

Amounts collected by the Board of Directors as Assessments against the Units for operating expenses or Reserves shall be kept in accounts in the name of the Association and shall not be commingled with funds of any other Association, nor with the funds of any Managing Agent or any other person responsible for the custody of such funds. Any reserve funds shall be kept in one or more insured, segregated accounts and any transaction affecting such funds, including the issuance of checks, shall require the signature of at least two persons who are officers or Directors of the Association.

#### 10.9 Surplus Funds.

Unless otherwise provided in this Declaration, any surplus funds of the Association remaining after payment of or provision for Common Expenses and any prepayment of reserves shall, in the discretion of the Board of Directors, either be paid to the Unit Owners in proportion to their Allocated Interest for Common Expense Liability or credited to them to reduce their future Common Expense Assessments.

**10.10 Liability of Unit Owners for Association Obligations.**

The liability of any Unit Owner arising out of any contract made by the Board of Directors, or tort of the Association not fully covered by insurance, or arising out of the indemnification of the Board of Directors, shall be limited to that proportion of the total liability thereunder as the Allocated Interest of his or her Unit bears to the aggregate Allocated Interests of all Units.

**10.11 Declarant Control Period.**

During the Declarant Control Period, until the Association made a Common Expense Assessment, pursuant to RCW 64.34.360(1), the Declarant was required to pay all Common Expenses.

**10.12 Owners Personally Liable for Common Expenses.**

Each Assessment shall be the joint and several obligation of the Owner or Owners of the Unit to which the same are assessed as of the time the Assessment is due. Suit to recover a personal judgment for any delinquent Assessment shall be maintainable in any court of competent jurisdiction without foreclosing or waiving the lien securing such sums. No Unit Owner may exempt himself or herself from liability with respect to the Common Expenses by waiver of the enjoyment of the right to use any of the Common Elements or by leasing, rental or abandonment of his or her Unit or otherwise. The failure or delay of the Board of Directors to adopt the Annual Budget for any year shall not constitute a waiver or release in any manner of a Unit Owner's obligation to pay his or her allocable share of the Common Expenses as herein provided, and in the absence of an Annual Budget or adjusted Annual Budget, each Unit Owner shall continue to pay (with or without notice) a monthly Assessment at the rate established for the preceding fiscal year until an Assessment is made under a current Annual Budget or adjusted Annual Budget and notice thereof has been sent to the Unit Owner.

**10.13 Liability Following Conveyance of Unit.**

A selling Unit Owner shall not be liable for the payment of any part of the Common Expenses assessed against his or her Unit subsequent to a sale, transfer or other conveyance by him of such Unit. The purchaser of a Unit shall be jointly and severally liable with the selling Unit Owner for all unpaid Assessments against the Unit up to the time of the conveyance without prejudice to the purchaser's right to recover from the selling Unit Owner the amounts paid by the purchaser therefore. Except as provided in Section 10.17.2 hereof, the holder of a mortgage or other purchaser of a Unit who obtains the right of possession of the Unit through foreclosure shall not be liable for Assessments that became due prior to such right of possession. Such unpaid Assessments shall be deemed to be Common Expenses collectible from all the Unit Owners, including such mortgagee or other purchaser of the Unit. Foreclosure of a mortgage does not relieve the prior Owner of personal liability for Assessments accruing against the Unit prior to the date of such sale as provided above.

**10.14 Statement of Unpaid Assessments.**

The Association, upon written request and subject to Section 7.2.12 hereof, shall furnish to a Unit Owner or a mortgagee a statement signed by an officer or authorized agent of the Association setting forth the amount of unpaid Assessments against that Unit. The statement shall be furnished within fifteen days after receipt of the request and is binding on the Association, the Board of Directors, and every Unit Owner, unless and to the extent known by the recipient to be false.

#### **10.15 Lien for Assessments and Power of Sale.**

**10.15.1** Pursuant to RCW 64.34.364, the Association has a lien on a Unit for any unpaid Assessments levied against a Unit from the time the Assessment is due. If an Assessment is payable in installments, the Association has a lien for the full amount of the Assessment from the time the first installment thereof is due.

**10.15.2** Each and every Unit Owner of any Unit in the Condominium, by virtue of his or her acquisition by any means of title to such Unit, shall take such title subject to the Association's lien for Assessments. Pursuant to RCW 64.34.364(9), the Association through its Board of Directors, as Attorney-in-Fact for all Unit Owners and as "Grantor" does hereby grant, bargain, sell and convey to Chicago Title Insurance Company, a corporation, as "Trustee" in trust WITH POWER OF SALE, all the real property in the Condominium described in Exhibit A to this Declaration, which property is not used principally for agricultural or farming purposes, together with all tenements, hereditaments, and appurtenances now or hereafter thereunto belonging or in any wise appertaining, and the rents, issues and profits thereof, to secure the obligations of the Unit Owners to the Association, as "Beneficiary", for the payment of any Assessments lawfully levied under this Declaration. Each and every Unit Owner shall be deemed for all purposes, as of the time of his or her acquisition of title to any Unit in the Condominium, to have joined as an additional "Grantor" in the conveyance in trust above described, and to have at that time bargained, sold and conveyed his or her Unit, along with its undivided Allocated Interest in the Common Elements and any Limited Common Elements assigned thereto, to such Trustee, to secure all obligations imposed by this Declaration on such Unit Owner to pay Assessments to the Association. The Power of Sale provided and granted herein shall be operative in the case of a default in the obligation to pay Assessments; upon default by such Grantor in the payment of any indebtedness secured hereby, all sums secured hereby shall immediately become due and payable at the option of the Beneficiary. In such event and upon written request of Beneficiary, Trustee shall sell the trust property, in accordance with the Deed of Trust Act of the State of Washington, at public auction to the highest bidder. Any person except Trustee may bid at Trustee's sale. Trustee shall apply the proceeds of the sale as follows: (1) to the expenses of sale, including a reasonable Trustee's fee and attorney's fee; (2) to the obligations secured by this Declaration; (3) the surplus, if any, shall be distributed to the persons entitled thereto.

#### **10.16 Perfection of Lien.**

Recording of the Declaration constitutes record notice and perfection of the lien for Assessments. While no further recording of any claim of lien for Assessments shall be required to perfect the Association's lien, the Association may record a notice of claim of lien for Assessments under this section in the real property records of any county in which the Condominium is located. Such recording shall not constitute the written notice of delinquency to a mortgagee referred to in Section 10.17.3 hereof.

#### **10.17 Priority of Lien.**

**10.17.1** A lien under this Section shall be prior to all other liens and encumbrances on a Unit except: (a) Liens and encumbrances recorded before the recording of the Declaration; (b) a mortgage on the Unit recorded before the date on which the Assessment sought to be enforced became delinquent; and (c) liens for real property taxes and other governmental assessments or charges against the Unit.

10.17.2 Except as provided in Sections 10.17.3 and 10.18.2 hereof, the lien shall also be prior to the mortgages described in subpart (b) of Section 10.17.1 hereof, to the extent of Assessments for Common Expenses, excluding any amounts for capital improvements, based on the annual Budget adopted by the Association which would have become due during the six months immediately preceding the date of a sheriff's sale in an action for judicial foreclosure by either the Association or a mortgagee, the date of a trustee's sale in a nonjudicial foreclosure by a mortgagee, or the date of recording of the declaration of forfeiture in a proceeding by the vendor under a real estate contract.

10.17.3 The priority of the Association's lien against Units encumbered by a mortgage held by an Eligible Mortgagee, or by a first mortgagee which has given the Association a written request for a notice of delinquent Assessments, shall be reduced by up to three months if and to the extent its foreclosure includes delinquencies which relate to a period after such holder becomes an Eligible Mortgagee or has given such notice and before the Association gives the holder a written notice of the delinquency. This subsection does not affect the priority of mechanics' or materialmen's liens, or the priority of liens for other Assessments made by the Association. A lien under this section is not subject to the provisions of chapter 6.13 RCW relating to Homesteads.

#### 10.18 Enforcement of Lien.

10.18.1 The lien arising under this section may be enforced judicially by the Association or its authorized representative in the manner set forth in chapter 61.12 RCW, or nonjudicially in the manner set forth in chapter 61.24 RCW for nonjudicial foreclosure of deeds of trust. The Association or its authorized representative shall have the power, subject to the provisions of Section 8.4.4 hereof, to purchase the Unit at the foreclosure sale and to acquire, hold, lease, mortgage, or convey the same. Upon an express waiver in the complaint of any right to a deficiency judgment in a judicial foreclosure action, the period of redemption shall be eight months. The Association may elect to take a deed in lieu of foreclosure in any such proceeding.

10.18.2 If the Association forecloses its lien nonjudicially pursuant to Chapter 61.24 RCW, the Association shall not be entitled to the lien priority provided for under Section 10.17.2 hereof.

#### 10.19 Limitation of Lien Enforcement.

A lien for unpaid Assessments and the personal liability for payment thereof is extinguished unless proceedings to enforce the lien are instituted within three years after the amount of the Assessments sought to be recovered becomes due.

#### 10.20 Rent Subject to Lien for Assessments.

From the time of commencement of an action by the Association to foreclose a lien for nonpayment of delinquent Assessments against a Unit that is not occupied by the Owner thereof, the Association shall be entitled to the appointment of a receiver to collect from the lessee thereof the rent for the Units as and when due. If the rental is not paid, the receiver may obtain possession of the Unit, refurbish it for rental up to a reasonable standard for rental Units in this type of condominium, rent the Unit or permit its rental to others, and apply the rents first to the cost of the receivership and attorneys' fees thereof, then to the cost of refurbishing the Unit, then to applicable charges, then to costs, fees, and charges of the foreclosure action, and then to the payment of the delinquent Assessments. Only a receiver may take possession and collect rents under this subsection,

and a receiver shall not be appointed less than ninety days after the delinquency. The exercise by the Association of the foregoing rights shall not affect the priority of preexisting liens on the Unit.

**10.21 Remedies Cumulative.**

The remedies provided are cumulative and the Board may pursue them concurrently, along with any other remedies which may be available under the law although not expressed herein.

**ARTICLE XI**

**INSURANCE, DESTRUCTION, RESTORATION AND DISTRIBUTION**

**11.1 Authority, Name of Insured.**

The Board of Directors shall obtain and maintain casualty and liability insurance under such terms and for such amounts as shall be deemed necessary by the Board of Directors, but unless not reasonably available, for not less than the terms, conditions and amounts required by Section 11.2.

The name of the insured under each required policy shall be stated as follows: "Village at Cordata, Northside, Condominium Association for the use and benefit of the individual Owners thereof."

**11.2 Coverage.**

**11.2.1 Master Policy.**

The Condominium shall be insured under a "master" or "blanket" type of policy, on an "all risks" basis, against casualty or physical damage in an amount equal to the maximum insurable replacement value thereof (i.e., 100% of replacement costs based upon the value of replacing all buildings and all improvements of the Condominium exclusive of land, excavations and foundations, utilizing contemporary building materials and technology as determined annually by the Board of Directors with assistance of the agent of the insurance company affording such coverage. Such coverage shall afford protection against:

(a) loss or damage by fire, vandalism, malicious mischief, windstorm, and other hazards covered by the standard extended coverage endorsement together with coverage for Common Expenses with respect to Condominium Units during any period of repair or reconstruction; and such other perils customarily covered by insurance for similar condominium projects. Such coverage shall insure all buildings and other General and Limited Common Elements that are normally included in coverage. The policy shall also cover all of the Units and their bathroom, laundry and kitchen equipment, fixtures and cabinets, and electrical fixtures, together with all included ventilating, heating and other equipment, but not including furniture, furnishings or other personal property supplied or installed by Unit Owners. The policy shall also cover other Condominium property including fixtures, building service equipment and common personal property and supplies owned by the Owners Association or included in the Common Elements. An insurance policy that includes either of the following endorsements will assure full insurable value replacement cost coverage:

(i) a Guaranteed Replacement Cost Endorsement (under which the insurer agrees to replace the insurable property regardless of the cost) and, if the policy includes a coinsurance clause, an Agreed Amount Endorsement (which waives the requirement for coinsurance); or



(ii) a Replacement Cost Endorsement (under which the insurer agrees to pay up to 100% of the property's insurable replacement cost, but no more) and, if the policy includes a coinsurance clause, an Agreed Amount Endorsement (which waives the requirement for coinsurance).

(b) the following Special Endorsements, or their functional equivalent:

(i) an Inflation Guard Endorsement, when it can be obtained;

(ii) Building Ordinance or Law Endorsement, if the enforcement of any building, zoning, or land-use law will result in loss or damage, increased cost of repairs or reconstruction, or additional demolition and removal costs. (The endorsement must provide for contingent liability from the operation of building laws, demolition costs, and increased costs of reconstruction.); and

(iii) Steam Boiler and Machinery Coverage Endorsement, if the project has central heating or cooling. (This endorsement should provide for the insurer's minimum liability per accident to at least equal the lesser of \$2 million or the insurable value of the building(s) housing the boiler or machinery.) In lieu of obtaining this as an endorsement to the commercial package for the project, the Association may purchase separate stand-alone boiler and machinery coverage.

(c) liability for death, personal injury and property damage arising from the use, ownership or maintenance of any of the Common Elements. The insurance should also cover any commercial spaces that are owned by the Association, even if they are leased to others. Coverage should be afforded under a commercial general liability policy for the entire project, including all areas under the supervision of the Association. Limits of liability shall in no event be less than \$1,000,000 with respect to any single occurrence, and shall also include medical payments coverage.

#### 11.2.2 Flood Insurance.

If any part of the Condominium's improvements are in a Special Flood Hazard Area -- which is designated as A, AE, AH, AO, A1-30, A-99, V, VE, or V1-30 on a Flood Insurance Rate Map (FIRM), the Association must maintain a "master" or "blanket" policy of flood insurance which should cover buildings and any other improvements constituting Common Elements. If the project consists of high-rise or other vertical buildings, the Association must have a separate flood insurance policy for each building that houses dwelling units. The amount of flood insurance should be at least equal to the lesser of 100% of the insurable value of the facilities or the maximum coverage available under the appropriate National Flood Insurance Administration program. If the Condominium consists of high-rise buildings or other vertical buildings, the building coverage should equal 100% of the insurance value of the building, including machinery and equipment that are part of the building. The contents coverage must include 100% of the insurable value of all contents, including any machinery and equipment that are not part of the building, but which are owned in common by the association members. The maximum deductible amount for policies covering the Common Elements or for those covering each building in a high-rise or vertical condominium project, is the lesser of \$5,000 or 1% of the policy's face amount. Funds to cover this deductible amount should be included in the Association's operating reserve account, as provided in Section 10.3.

#### 11.23 Fidelity Insurance.

The Association shall obtain blanket fidelity insurance for any person who either handles (or is responsible for) funds that he or she holds or administers, whether or not that individual receives compensation for services. The policy shall name the Association as the insured and must include a provision that calls for ten days' written notice to the Association and all Eligible Mortgagees before the policy can be canceled or substantially modified for any reason, in the manner provided in Section 15.2 hereof. The policy should cover the maximum funds that will be in the custody of the Association or its Manager at any time while the policy is in force. A Manager that handles funds for the Association shall be covered by its own fidelity insurance policy, which must provide the same coverage required of the Association.

#### 11.24 Additional Insurance.

The Board shall also acquire such additional insurance coverage as it may deem advisable and appropriate or as may be requested from time to time by a majority of the Unit Owners, including Officers' and Directors' errors and omissions insurance to satisfy the Association's indemnification responsibilities under Section 14.2 of this Declaration and Workmen's Compensation insurance, where necessary to meet the requirements of law.

#### 11.25 Deductible.

The deductible, if any, on any policy of insurance purchased by the Board of Directors, shall be paid by the Association as a Common Expense, subject to Section 13.2.7 hereof, and, except as provided in Section 11.2.2, shall not exceed the lesser of \$10,000 or 1% of the face amount of the policy. Funds to cover the deductible should be included in the Association's operating reserve account, as provided in Section 10.3.

#### 11.3 Limitations.

Insurance obtained pursuant to the requirements of this Section 11 shall be subject to the following provisions:

(a) Each policy shall be written with a company or companies which are licensed to do business in the State of Washington and which hold a B general policyholder's rating or a financial performance index of 6 or better in the latest edition of Best's Key Rating Guide, or an A or better rating from Demotech, Inc.

(b) The master policy will be primary, and no insurance coverage obtained and maintained pursuant to the requirements of this Section 11 shall be brought into contribution with insurance purchased individually by any of the Unit Owners or their Mortgagees, as herein permitted, and any "no other insurance" or similar clause in any policy obtained by the Board of Directors pursuant to the requirements of this Section shall exclude such policies from consideration.

(c) Each policy shall provide that it may not be canceled or substantially modified or reduced without at least 30 days' prior written notice to all insureds named thereon, including all named Mortgagees.

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(d) Each policy of casualty insurance shall contain a waiver of any right of the carrier to elect to restore, or repair damage or reconstruct in lieu of making a cash settlement if a decision is made pursuant to this Declaration not to do so.

(e) Each policy shall contain a waiver of subrogation by the insurer as to any and all claims against the Unit Owners, the Association, the Board of Directors, the Manager, and their respective agents, arising from the acts of any Unit Owner, member of the Owner's household, or lessee of the Owner.

(f) Policy contracts shall provide that each Unit Owner is an insured person under the policy with respect to liability arising out of the Owner's interest in the Common Elements or membership in the Association.

(g) Each policy shall provide that (i) the policy's coverage shall not be prejudiced by any act or neglect of any occupants or Unit Owners of the Condominium or their agents, employees, tenants, Mortgagees or invitees when such act or neglect is not within the control of the insured or the Unit Owners collectively; and (ii) the policy shall not be prejudiced by failure of the insured or the Unit Owners collectively to comply with any warranty or condition with regard to any portion of the Condominium over which the insured or the Unit Owners collectively have no control.

(h) Each policy must contain a standard mortgage clause and must name as covered Mortgagees each such covered Mortgagee, followed by the phrase "its successors and assigns."

(i) The insurer issuing the policy may not modify the amount or the extent of the coverage of the policy or cancel or refuse to renew the policy unless the insurer has complied with all applicable provisions of chapter 48.18 RCW pertaining to the cancellation or nonrenewal of contracts of insurance. The insurer shall not modify the amount or the extent of the coverage of the policy, or cancel or refuse to renew the policy without complying with RCW 64.34.352.

#### **11.4 Notice of Insurance Coverage or Termination Thereof.**

11.4.1 The Board of Directors shall promptly furnish to each Unit Owner and each Eligible Mortgagee written notice of the procurement, subsequent changes, or termination of each insurance policy or fidelity bond obtained on behalf of the Association.

11.4.2 An insurer that has issued an insurance policy under this Section shall issue certificates or memoranda of insurance to the Association and, upon written request, to any Unit Owner or holder of a mortgage.

#### **11.5 Individual Policies.**

It is recommended that each Unit Owner obtain, in addition to the insurance hereinabove provided to be obtained by the Association, a "Condominium Unit Owner's Policy," or equivalent, to insure against loss or damage to any upgrades, improvements or betterments to the Unit, or to personal property used in or incidental to the occupancy of the Unit, additional living expense, vandalism or malicious mischief, theft, personal liability and the like. No Unit Owner shall maintain insurance coverage which will tend to decrease the amount which the Association may realize under any insurance policy which it may have in force at any particular time; the Board of Directors may require that each Unit Owner shall file with the Secretary or the Manager a copy of each individual policy of insurance purchased by the Unit Owner within 30 days after its purchase. The Board of

Directors may also require that each Unit Owner shall notify the Board of Directors of all improvements made by him to his or her Unit having a value in excess of \$1,000.

#### **11.6 Unavailability, Cancellation or Nonrenewal.**

If the insurance described in Section 11.2 hereof is not reasonably available, or is modified, canceled or not renewed, the Association promptly shall cause notice of that fact to be hand-delivered or sent prepaid by first class United States mail to all Unit Owners, to each Eligible Mortgagee, and to each mortgagee to whom a certificate or memorandum of insurance has been issued, at their respective last known addresses.

#### **11.7 Adjustment and Payment of Loss Proceeds.**

All policies shall provide that adjustment of loss shall be made by the Board of Directors, and that proceeds payable pursuant to the policies shall be paid directly to the Board of Directors as Insurance Trustee, to be held in trust for Unit Owners and all lienholders as their interests may appear. Proceeds of insurance policies received by the Insurance Trustee shall be distributed to or for the benefit of the Unit Owners and Mortgagees entitled thereto, after first paying or making provisions for the payment of the expenses of the Insurance Trustee, in the following manner:

(a) Proceeds are to be paid first to repair or restore damage or destruction. After completely defraying the cost of the repair or restoration, any surplus proceeds shall be payable jointly to the Unit Owners and Mortgagees, if any, entitled thereto.

(b) If, pursuant to the provision of Section 11.8 hereof, not all of the damaged or destroyed portions of the Condominium are to be repaired or replaced, insurance proceeds shall be payable as provided in that Section.

#### **11.8 Reconstruction.**

##### **11.8.1 Duty to Reconstruct.**

Any portion of the Condominium for which insurance is required under this section which is damaged or destroyed shall be repaired or replaced promptly by the Association unless: (a) the Condominium is terminated; (b) repair or replacement would be illegal under any state or local health or safety statute or ordinance; or (c) eighty percent (80%) of the Unit Owners, including every Owner of a Unit or assigned Limited Common Element which will not be rebuilt, along with that percentage of Eligible Mortgagees specified in Article XV hereof, vote not to rebuild. The cost of repair or replacement in excess of insurance proceeds and reserves shall be a Common Expense.

##### **11.8.2 Decision Not To Reconstruct.**

If all of the damaged or destroyed portions of the Condominium are not repaired or replaced: (i) the insurance proceeds attributable to the damaged Common Elements shall be used to restore the damaged area to a condition compatible with the remainder of the Condominium; (ii) the insurance proceeds attributable to Units and Limited Common Elements which are not rebuilt shall be distributed to the Owners of those Units and the Owners of the Units to which those Limited Common Elements were allocated, or to lienholders, as their interests may appear; and (iii) the remainder of the proceeds shall be distributed to all the Unit Owners or lienholders, as their interest may appear, in proportion to the Common Element interests of all the Units. If the Unit Owners

vote not to rebuild any Unit, that Unit's allocated interests are automatically reallocated upon the vote as if the Unit had been condemned under RCW 64.34.060(1), and the Association promptly shall prepare, execute, and record an amendment to the Declaration reflecting the reallocations. Notwithstanding the provisions of this subsection, RCW 64.34.268 governs the distribution of insurance proceeds if the Condominium is terminated.

#### 11.8.3 Manner of Reconstruction.

If any Building or improvement constructed or erected within the Condominium shall be destroyed or damaged by some casualty and such destroyed or damaged property is to be reconstructed or repaired, the reconstruction or repair thereof shall, at least, be to the extent of the replacement value of the property destroyed or damaged, and as nearly as practicable to the character of the building or improvement existing immediately prior to such casualty. Any reconstruction or repair shall be done in accordance with the outstanding building code requirements of the State of Washington and may be done with contemporary building materials, and achieved by utilizing updated construction systems and technology. If the damages exist only to parts of a Unit for which the responsibility of maintenance and repair is borne by the Unit Owner, then the Unit Owner shall be responsible for reconstruction and repair after casualty and shall be entitled to apply, with the assistance of the Board of Directors, for and use the applicable insurance proceeds. In all other instances the responsibility of reconstruction and repair after casualty shall be that of the Board of Directors.

#### 11.8.4 Payment of and Procedure for Reconstruction.

The proceeds of insurance collected on account of casualty, and funds received by the Board of Directors from collections of Assessments against Unit Owners on account of such casualty, shall constitute a construction fund which shall be disbursed in payment of the costs of reconstruction and repair in the following manner:

(i) If the amount of the estimated costs of reconstruction and repair is \$50,000 or less, (as estimated by the Board of Directors) then the construction fund shall be disbursed in payment of such costs upon order of the Board of Directors, provided, however, that upon request of a Mortgagee which is a beneficiary of an insurance policy, the proceeds of which are included in the construction fund, such fund shall be disbursed in the manner hereinafter provided;

(ii) If the estimated costs of reconstruction and repair of the buildings or other improvement is more than \$50,000, then the construction fund shall be disbursed in payment of such costs upon approval of an architect qualified to practice in the State of Washington and employed by the Board of Directors to supervise such work. payment to be made from time to time as the work progresses. The architect shall be required to furnish a certificate giving a brief description of the services rendered and materials furnished by various contractors, subcontractors, materialmen, the architect, or other persons who have rendered services or furnished materials in connection with the work, and stating that: (a) the sums requested by them in payment are justly due and owing and that said sums do not exceed the value of the services and materials furnished; (b) there is no other outstanding indebtedness known to the said architect for the services and materials described; and (c) the cost as estimated by said architect for the work remaining to be done subsequent to the date of such certificate, does not exceed the amount of the construction fund remaining after payment of the sum so requested.

#### 11.9 Assessments if Insurance is Inadequate.

Immediately after a casualty causing damage to property for which the Board of Directors has the responsibility of maintenance and repair, the Board shall obtain reliable and detailed estimates of the cost to replace the damaged property in as good a condition as it was before the casualty. Such costs may include professional fees and premiums for such bonds as the Board desires or as may be required. If the proceeds of insurance are not sufficient to defray such estimated costs, a Special Assessment shall be made against all the Units in proportion to their Allocated Interests for Common Expenses, in sufficient amounts to provide funds to pay the estimated costs. If at any time during reconstruction and repair, or upon completion of reconstruction or repair, the funds for payment of the costs thereof are insufficient, Assessments shall be made against all of the Units in proportion to their respective Allocated Interests for Common Expense liability, in sufficient amounts to provide funds for the payment of such costs.

#### 11.10 Notice to Mortgagees.

The Board of Directors shall give written notice to: (a) an Eligible Mortgagee of the Unit whenever damage to the Unit covered by the mortgage exceeds \$1,000; and (b) all Eligible Mortgagees whenever damage to the Common Elements exceeds \$10,000.

#### 11.11 Miscellaneous.

The provisions of this Article 11 shall constitute the procedure by which a determination is made by the Unit Owners to repair, restore, reconstruct or rebuild as provided in the Condominium Act. The purpose of this Article 11 shall be to provide a fair and equitable method of allocating the costs of repair and restoration and making a determination for repair and restoration if all or a portion of the improvements are damaged or destroyed. The provisions of this Article 11 shall be liberally construed to accomplish such purpose.

### ARTICLE XII

#### CONDEMNATION

#### 12.1 Condemnation Affecting Whole Unit.

If a Unit is acquired by condemnation, or if part of a Unit is acquired by condemnation leaving the Unit Owner with a remnant of a Unit which may not practically or lawfully be used for any purpose permitted by this Declaration, the award must compensate the Unit Owner for the Owner's Unit and its appurtenant interest in the Common Elements, whether or not any Common Elements are acquired. Upon acquisition, unless the decree otherwise provides, all that Unit's Allocated Interests are automatically reallocated to the remaining Units in proportion to the respective Allocated Interests of those Units before the taking, and the Association shall promptly prepare, execute, and record an amendment to the Declaration reflecting the reallocations. Any remnant of a Unit remaining after part of a Unit is taken under this subsection is thereafter a Common Element.

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**12.2 Condemnation of Part of Unit.**

Except as provided in Section 12.1 hereof, if part of a Unit is acquired by condemnation, the award must compensate the Unit Owner for the reduction in value of the Unit and its appurtenant interest in the Common Elements, whether or not any Common Elements are acquired. Upon acquisition, unless the decree otherwise provides: (a) That Unit's Allocated Interests are reduced in proportion to the reduction in the size of the Unit; and (b) the portion of the Allocated Interests divested from the partially acquired Unit are automatically reallocated to that Unit and the remaining Units in proportion to the respective Allocated Interests of those Units before the taking, with the partially acquired Unit participating in the reallocation on the basis of its reduced Allocated Interests.

**12.3 Condemnation of Common Elements.**

If part of the Common Elements is acquired by condemnation, the portion of the award attributable to the Common Elements taken shall be paid to the Owners based on their respective Allocated Interests in the Common Elements unless the Association at a special meeting called for such purpose, decides otherwise.

**12.4 Condemnation of Limited Common Elements.**

Any portion of an award attributable to the acquisition of a Limited Common Element must be equally divided among the Owners of the Units to which that Limited Common Element was allocated at the time of acquisition.

**12.5 Association Necessary Party to Proceeding.**

The Association, through its Board of Directors, shall be a necessary party to any condemnation proceedings and shall, to the extent feasible, act as a fiduciary on behalf of and in the best interests of any and all Unit Owners affected by such proceedings. Should the Association not act on the Owners' behalf in a condemnation proceeding, the affected Owners may individually or jointly act on their own behalf.

**12.6 Complete Taking.**

In the event of a complete taking of the Condominium, or in the event that the taking by the condemning authority is so substantial as to render the remainder of the Condominium unsuitable or undesirable for use by the remaining Unit Owners, then the Condominium shall (in the case of complete taking) or may (as to a partial taking) be terminated in accordance with the terms and conditions of RCW 64.34.268, and Article XV hereof.

**12.7 Reconstruction and Repair.**

Any reconstruction and repair necessitated by condemnation shall be governed by the procedures specified in Article 11 hereof, provided that the Board may retain and apply such portion of each Owner's share of the Condemnation Award as is necessary to discharge said Owner's liability for any special Assessment arising from the operation of said Article 11.



12.8 Notice to Mortgagees.

The Board of Directors shall promptly give written notice to all Eligible Mortgagees of the pendency of any condemnation proceedings affecting any portion of the Condominium.

12.9 Payment of Award.

When a Unit Owner becomes entitled to receipt of a condemnation award, or of any portion of such an award, or of any payment in lieu of such an award, then any such payment shall be made payable jointly to such Unit Owner and to the holders of any Mortgages encumbering such Owner's Unit, as their interests may appear.

ARTICLE XIII

COMPLIANCE WITH LAW AND COVENANTS

13.1 Compliance by Owners and Occupants.

Each Owner and occupant of a Unit shall comply strictly with the provisions of the Condominium Act, this Declaration, the Bylaws and any Rules and Regulations properly adopted by the Board of Directors, as the same may be lawfully amended from time to time.

13.2 Enforcement by Association.

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13.2.1 Authority of the Board.

The Board of Directors shall have primary responsibility for maintaining and enforcing compliance with the covenants, conditions and restrictions contained in the Condominium Declaration, the Bylaws, and any Rules and Regulations adopted by the Board of Directors. Without limiting the authority and powers conferred upon the Board by the Condominium Act, the Board shall have the following power and authority:

13.2.2 Abatement of Violations.

The violation of any of the Rules and Regulations adopted by the Board of Directors, the breach of any provision of the Condominium Instruments or the Condominium Act shall give the Board of Directors the right, in addition to any other rights set forth in the Bylaws, to enter the Unit or any Limited Common Element in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of such provisions, and the Board of Directors shall not thereby be deemed guilty in any manner of trespass. PROVIDED, that this remedy shall not be utilized when a breach of the peace is likely to occur or if any items of construction within the Unit or any of the Common Elements will be altered or demolished.

13.2.3 Legal Proceedings.

Failure to comply with any of the terms of the Condominium Instruments, the Rules and Regulations, or published resolutions of the Board shall be grounds for legal relief, including without limitation, actions to recover any sums due for money damages, injunctive relief, foreclosure of the

lien for payment of Assessments, any other relief provided for in the Bylaws or any combination thereof and any other relief afforded by a court of competent jurisdiction, all of which relief may be sought by the Unit Owners Association, the Board of Directors, the Managing Agent or, if appropriate, by any aggrieved Unit Owner, and shall not constitute an election of remedies.

#### 13.2.4 Costs and Attorney's Fees.

The Association shall be entitled to recover any costs and reasonable attorneys' fees incurred in connection with the collection of delinquent Assessments, whether or not such collection activities result in suit being commenced or prosecuted to judgment. In addition, the Association shall be entitled to recover costs and reasonable attorneys' fees if it prevails on appeal, or in the enforcement of a judgment. In any other proceeding arising out of an alleged default by a Unit Owner, the prevailing party shall be entitled to recover the costs of the proceeding, and such reasonable attorney's fees as may be determined by the court. In the event that the prevailing party is the Association, the costs and attorney's fees so awarded shall constitute a Special Assessment against the Owner's Unit.

#### 13.2.5 Late Charges and Interest.

The Board may impose and collect reasonable late charges to encourage prompt payment of Assessments. Until changed by resolution of the Board with advice of counsel, the Board may collect a late charge: (a) when any Assessment or installment thereof is received by the Association more than ten (10) days beyond the due date of such Assessment or installment; (b) in an amount not to exceed the greater of \$25.00 or ten percent (10%) of the amount of said Assessment or installment. Delinquent Assessments shall bear interest from the date of delinquency at the rate of 12% per annum, or the maximum rate permitted under RCW 19.52.020 on the date on which the Assessments became delinquent.

#### 13.2.6 Fines.

The Board may impose and collect reasonable fines against Unit Owners for violations of the Condominium Act, the Condominium Instruments, or the Rules and Regulations of the Association. PROVIDED, however, that no fine may be levied unless (1) the Board has by resolution established a schedule of fines which has been furnished to all Unit Owners prior to the alleged violation, and (2) the allegedly offending Owner has been provided with notice of and an opportunity to be heard at a hearing to be conducted pursuant to provisions of the Bylaws. Until changed by resolution of the Board with advice of counsel, the amount of any fine so assessed shall not exceed fifty dollars for a single offense or ten dollars per diem for any offense of a continuing nature, and shall constitute a Special Assessment against such Unit Owner's Condominium Unit.

#### 13.2.7 Liability for Conduct Causing Common Expense.

Each Unit Owner shall be liable for the cost of all maintenance, repair or replacement rendered necessary by his or her or her act, neglect or carelessness, or the act, neglect or carelessness of any member of his or her or her family or his or her or her employees, agents, tenants or licensees, but only to the extent that such cost is not covered by the proceeds of insurance carried by the Board of Directors. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy or abandonment of any Unit or its appurtenances. To the extent that any Common Expense is caused by the misconduct of any Unit Owner, the Association may specially assess that expense against the Owner's Unit, PROVIDED that no such Special Assessment may be levied unless

the allegedly offending Owner has been provided with notice of and an opportunity to be heard at a hearing to be conducted pursuant to provisions of the Bylaws.

**13.2.8 No Waiver of Rights.**

The failure of the Unit Owners Association, the Board of Directors or of a Unit Owner to enforce any right, provision, covenant or condition which may be granted by the Condominium Instruments or the Condominium Act, shall not constitute a waiver of the right of the Association, the Board or the Unit Owner to enforce such right, provision, covenant or condition in the future.

**13.2.9 Remedies Cumulative.**

A suit to recover a money judgment for unpaid Assessments may be maintained without foreclosing or waiving the lien securing the same, and a foreclosure may be maintained notwithstanding the pendency of any suit to recover a money judgment. All rights, remedies and privileges granted to the Unit Owners Association, the Board of Directors or any Unit Owner pursuant to any term, provision, covenant or condition of the Condominium Instruments or the Condominium Act shall be deemed to be cumulative and the exercise of any one or more thereof shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such other rights, remedies or privileges as may be granted to such party by the Condominium Instruments or the Condominium Act or at law or in equity.

**13.2.10 Alternative Forms of Dispute Resolution Authorized.**

In addition to the rights, remedies and procedures described above, the Association may, with the consent of an affected Unit Owner and/or any other interested party, agree to resolve any dispute through mediation, binding or nonbinding arbitration, or such other alternative dispute resolution mechanism as may be deemed appropriate, at the discretion of the Board.

**ARTICLE XIV**

**LIMITATION OF LIABILITY**

**14.1 No Liability for Utility Failure, Etc.**

Except to the extent covered by insurance obtained by the Board pursuant to Article 11, neither the Association nor the Board nor the Declarant shall be liable for any failure of any utility or other service obtained by the Board; or for injury or damage to person or property caused by the elements, or resulting from electricity, water, rain, dust or sand which may lead or flow from outside or from any parts of the buildings, or from any of its pipes, drains, conduits, appliances, or equipment, or from any other place, or for inconvenience or discomfort resulting from any action taken to comply with any law, ordinance or orders of a governmental authority. No diminution or abatement of liability for Common Expense Assessments shall be claimed or allowed for any such utility or service failure, or for such injury or damage, or for such inconvenience or discomfort.

**14.2 Liability of Officers and Directors, Indemnification.**

The Directors and Officers shall exercise ordinary and reasonable care in discharging their responsibilities and shall not be liable to the Association or to the Unit Owners for mistakes of

judgment or for negligence not amounting to gross negligence, willful misconduct or bad faith. The Unit Owners shall indemnify and hold harmless each of the Directors and Officers from and against all contractual liability to others arising out of contracts made by the Board of Directors or Officers on behalf of the Association or the Unit Owners unless such contract was made in bad faith or contrary to the provisions of the Condominium Instruments. The Directors and Officers shall not be personally liable for contracts made by them on behalf of the Association. The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding by reason of the fact that (s)he is or was a Director or Officer of the Association, against amounts paid in settlement incurred by him in connection with such action, suit or proceeding if (s)he acted in good faith and in a manner (s)he reasonably believed to be in, or not opposed to, the best interests of the Condominium or the Association, to the fullest extent authorized by RCW 23B.08.510, 520, 530, and 570, and any amendments thereto, whether or not the Association is incorporated under RCW 23B.

#### ARTICLE XV

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#### MORTGAGEE PROTECTION

This Article establishes certain standards and covenants which are for the benefit of the holders, insurers and guarantors of certain mortgages. This Article is supplemental to, and not in substitution for, any other provisions of the Condominium Instruments, but in the case of conflict, this Article shall control.

##### 15.1 Percentage of Eligible Mortgagees.

Wherever in this Declaration the approval or consent of a specified percentage of Mortgagees is required, it shall mean, pursuant to RCW 64.34.272, the approval or consent in writing of Eligible Mortgagees holding first lien mortgages on Units, and the percentage shall be based upon the votes attributable to Units with respect to which Eligible Mortgagees have an interest.

##### 15.2 Notice of Actions.

The Association shall give prompt written notice to each Eligible Mortgagee and Eligible Insurer of, and each Unit Owner hereby consents to, and authorizes the giving of notice of:

(a) Any condemnation loss or any casualty loss which affects a material portion of the Condominium or any Unit in which there is a first mortgage held, insured, or guaranteed by such Eligible Mortgagee or Eligible Insurer, as applicable;

(b) Any delinquency in the payment of Common Expense Assessments owed by a Unit Owner whose Unit is subject to a first mortgage held, insured, or guaranteed, by such Eligible Mortgagee or Eligible Insurer, as applicable, which remains uncured for a period of sixty (60) days;

(c) Any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association;

(d) Any proposed action which would require the consent of a specified percentage of Eligible Mortgagees as specified in Section 15.3 of this Declaration (in which case, notice shall be provided by certified or registered mail, "return receipt requested"); and

(e) Any judgment rendered against the Association in excess of \$2,500 which is not covered by insurance.

### 15.3 Consent and Notice Required.

#### 15.3.1 Document Changes.

Notwithstanding any lower requirement permitted by this Declaration or the Condominium Act, no amendment of any material provision of the Condominium Instruments by the Association or Unit Owners described in this Subsection may be effective without notice to all Eligible Mortgagees and Eligible Insurers, as required by Section 15.2 (d) above, and the vote of at least sixty-seven percent (67%) of the Unit Owners (or any greater Unit Owner vote required in Section 17.3 of this Declaration or the Condominium Act) and until approved in writing by at least fifty-one percent (51%) of the Eligible Mortgagees (or any greater Eligible Mortgagee approval required by this Declaration.) The foregoing approval requirements do not apply to amendments effected by the exercise of any Development Right. A change to any of the following would be considered material:

- (a) Voting rights;
- (b) Increases in Assessments that raise the previously assessed amount by more than 25%, Assessment liens or priority of Assessment liens;
- (c) Reductions in reserves for maintenance, repair and replacement of Common Elements;
- (d) Responsibility for maintenance and repairs;
- (e) Reallocation of interests in the General Common Elements or Limited Common Elements, or rights to their use, except that when Limited Common Elements are reallocated by agreement between Unit Owners, only those Unit Owners and only the Eligible Mortgagees holding mortgages in such Units need approve such action;
- (f) Redefinitions of boundaries of Units, except that when boundaries of only adjoining Units are involved, or when a Unit is being lawfully subdivided by its Owner pursuant to Section 4.9, then only those Unit Owners and the Eligible Mortgagees holding mortgages in such Unit or Units need must approve such action;
- (g) Convertability of Units into Common Elements or Common Elements into Units;
- (h) Expansion or contraction of the Condominium, or the addition, annexation or withdrawal of property to or from the Condominium;
- (i) Hazard or fidelity insurance requirements;
- (j) Imposition of any restrictions on the leasing of Units;
- (k) Imposition of any restrictions on a Unit Owner's right to sell or transfer his or her Unit;

(l) If the Condominium consists of 50 or more Units, a decision by the Association to establish self-management when professional management had been required previously by the Condominium Instruments or by an Eligible Mortgagee;

(m) Restoration or repair of the project after damage or partial condemnation in a manner other than that specified in the Condominium Instruments;

(n) Any provision that expressly benefits mortgage holders, insurers, or guarantors.

#### 15.3.2 Actions.

Notwithstanding any lower requirement permitted by this Declaration or the Condominium Act, the Association may not take any of the following actions (other than rights reserved to the Declarant as Special Declarant Rights), without notice to all Eligible Mortgagees and eligible Insurers as required by Section 15.2 (d) above, approval by Owners of Units to which at least 67% (or the indicated percentage, if different), of the votes in the Association are allocated, and approval in writing by at least 51% (or the indicated percentage, if different,) of the Eligible Mortgagees and/or Eligible Insurers:

(a) Any action to abandon or terminate the legal status of the Condominium after condemnation or substantial destruction.

(b) Any action to abandon or terminate the legal status of the Condominium for reasons other than substantial destruction or condemnation, as to which a sixty-seven percent (67%) Eligible Mortgagee approval is required.

(c) Abandon, partition, subdivide, encumber, sell, transfer or convey the Common Elements or any portion thereof, as to which the approval of Owners to which at least eighty percent (80%) of the votes in the Association are allocated is required, and the procedures specified in Section 5.2 hereof must be followed. The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Elements by the Condominium will not be deemed a transfer within the meaning of this clause;

(d) Change any of the Allocated Interests allocated to any Unit, in which case the vote or agreement of the Owner of each Unit particularly affected and his or her Mortgagee and the Owners of Units to which at least ninety percent (90%) of the votes in the Association are allocated other than the Declarant must be obtained, pursuant to Section 17.3 hereof and to RCW 64.34.264 (4).

(e) Increase the number of Units, change the boundaries of any Unit (other than as provided in Sections 4.8 and 4.9 hereof) or change the uses to which any Unit is restricted, as to which the approval of Owners of Units to which at least ninety percent (90%) of the votes in the Association are allocated must be obtained, pursuant to Section 17.3 hereof and to RCW 64.34.264 (4).

(f) The assignment of the future income of the Association, including its right to receive Common Expense Assessments.

(g) The restoration or repair of the Property after hazard damage, as to which the approval of Owners to which at least eighty percent (80%) of the votes in the Association are

allocated is required, pursuant to Section 11.8 hereof, or after a partial condemnation, in a manner other than specified in the Condominium Instruments.

(b) The merger of the Condominium with any other common interest community.

**15.3.3 Timing of Payment of Assessments.**

The Association may not change the period for collection of regularly budgeted Common Expense Assessments to other than monthly without the consent of all Eligible Mortgagees.

**15.3.4 Implied Approval by Mortgagee.**

The failure of an Eligible Mortgagee or Insurer to respond within thirty (30) days to any written request of the Association delivered by certified or registered mail, "return receipt requested" for approval of an amendment to the Condominium Instruments, wherever Eligible Mortgagee or Insurer approval is required, shall constitute an implied approval of the addition or amendment.

**15.4 Development Rights.**

No Development Rights may be exercised or voluntarily abandoned or terminated by the Declarant unless all persons holding mortgages in the Development Rights consent to the exercise, abandonment, or termination.

**15.5 Inspection of Books.**

The Association must maintain current copies of the Declaration, Bylaws, Articles of Incorporation, Rules and Regulations, books and records and financial statements. The Association shall permit any Eligible Mortgagee, Eligible Insurer or other first mortgagee of a Unit, to inspect the books and records of the Association during normal business hours.

**15.6 Financial Statements.**

The Association shall provide any Eligible Mortgagee or Eligible Insurer who submits a written request, a copy of an annual financial statement within one hundred twenty (120) days following the end of each fiscal year of the Association. Such financial statement shall be audited by an independent certified public accountant if:

(a) The Condominium contains fifty or more Units, in which case the cost of the audit shall be a Common Expense; or

(b) The Condominium contains fewer than fifty Units and any Eligible Mortgagee or Eligible Insurer requests it, in which case the Eligible Mortgagee or Eligible Insurer shall bear the cost of the audit.

**15.7 Enforcement.**

The provisions of this Article are for the benefit of Eligible Mortgagees and Eligible Insurers and their successors, and may be enforced by any of them by any available means, at law, or in equity.

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15.8 Attendance at Meetings.

Any representative of an Eligible Mortgagee or Eligible Insurer may attend and address any meeting which a Unit Owner may attend.

15.9 Appointment of Trustee.

In the event of damage or destruction under Article XI or condemnation of all or a portion of the Condominium, any Eligible Mortgagee may require that such proceeds be payable to a Trustee established pursuant to Section 11.7 of this Declaration. Proceeds will thereafter be distributed pursuant to Article XI or pursuant to a condemnation award.

15.10 Limitations on Mortgagees' Rights.

No requirement for approval contained in this Article may operate to (1) deny or delegate control over the general administrative affairs of the Association by the Unit Owners or the Board of Directors, or (2) prevent the Association or the Board of Directors from commencing, intervening in, or settling any litigation or proceeding, or receiving and distributing any insurance proceeds except pursuant to RCW 64.34.352.

ARTICLE XVI

EASEMENTS AND SPECIAL DECLARANT RIGHTS

16.1 Easements for Units and Unit Owners.

Each Unit has an easement in and through each other Unit and the Common and Limited Common Elements for support, and each Unit Owner has a perpetual right of ingress to and egress from his or her Unit over the Common Elements.

16.2 Easement for Association Functions.

There is hereby reserved to the Association, or its duly authorized agents and representatives, such easements as are necessary to perform the duties and obligations of the Association as are set forth in the Declaration, the Bylaws, or the Rules and Regulations. No agent or representative of the Association shall enter any Unit in absence of express permission by its Owner or other lawful occupant, except in the case of an emergency, as provided in Section 8.5 hereof.

16.3 Easements for Declarant.

The Declarant has reserved an easement through the Common Elements as may be reasonably necessary for the purpose of discharging the Declarant's obligations to make repairs or replacements under the statutory warranties of quality provided at RCW 64.34.443, .444.

16.4 Easements Shown on Survey Map.

Easements shown on the Survey Map are hereby declared and established. Any easements shown on the Survey Map which benefit one or more Units in the Condominium or described on the attached Exhibit A which benefits any real property not included within the Condominium confer

various rights and benefits upon the owner(s) of such real property, and may also impose obligations upon the Association. Reference should be made to the Survey Map, Exhibit A to this Declaration and, if relevant, to Section 8.4.2 hereof.

## ARTICLE XVII

### AMENDMENT OF DECLARATION, SURVEY MAP, PLANS

#### 17.1 Procedure for Amendment of Declaration.

Amendments to the Declaration shall be made by an instrument in writing entitled "Amendment to Declaration" which sets forth the entire amendment. Except as otherwise specifically provided for in this Declaration, any proposed amendment must be approved by a majority of the Board prior to its adoption by the Owners. Except in cases of amendments that may be adopted by the Association under Sections 6.4, or 12.1 hereof or RCW 64.34.268(8), or certain Unit Owners under Section 6.3 hereof or pursuant to RCW 64.34.268(2), amendments may be adopted only at a meeting of the Owners if at least sixty-seven percent (67%) of the votes in the Association are cast for such amendment, or without any meeting if all Owners have been duly notified and Owners holding at least sixty-seven percent (67%) of the votes in the Association consent in writing to such amendment. In all cases, the amendment when adopted shall bear the acknowledged signature of the President of the Association, who shall certify that the amendment was properly adopted.

#### 17.2 Recordation Required.

Every amendment to the Declaration must be recorded with the County Auditor and is effective only upon recording. An amendment shall be indexed in the name of the Condominium and shall contain a cross-reference by recording number to the Declaration and each previously recorded amendment thereto.

#### 17.3 Special Restrictions.

Except to the extent expressly permitted or required by other provisions of this Declaration, or of the Condominium Act, no amendment may create or increase Special Declarant Rights, increase the number of Units, change the boundaries of any Unit, the Allocated Interests of a Unit, or the uses to which any Unit is restricted, in the absence of the vote or agreement of the Owner of each Unit particularly affected and his or her Mortgagee and the Owners of Units to which at least ninety percent (90%) of the votes in the Association are allocated other than the Declarant, and that percentage of Eligible Mortgagees specified in Article XV hereof.

#### 17.4 Amendment of Survey Map and Plans.

The Survey Map and Plans may be amended by revised versions referred to and described as to effect in an amendment to the Declaration adopted as required above. Copies of any such proposed amendment to the Survey Map and Plans shall be made available for examination by every Owner. Such amendment to the Survey Map and Plans shall also be effective, once properly adopted, upon recordation in the appropriate county offices, along with the amendment to the Declaration which accompanies it.

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File No: 940208073

**17.5 Consent of Mortgagees Required.**

The consent of specified percentages of Eligible Mortgagees may be required, pursuant to Article XV of this Declaration, prior to recordation of certain amendments to the Condominium Instruments. In certifying that an amendment has been properly adopted, as required by Section 17.1 hereof, the President shall be deemed to have certified that any consents required by Article XV have been obtained or waived pursuant to law.

**ARTICLE XVIII**

**TERMINATION OF CONDOMINIUM**

The Unit Owners may elect to terminate the Condominium status of the property only in accordance with the provisions of RCW 64.34.268, with the requisite approval of such Mortgagees and other lienholders as may be required by law, or by Article XV hereof.

**ARTICLE XIX**

**MISCELLANEOUS**

**19.1 Notices for All Purposes, Delivery.**

19.1.1 Except as otherwise provided by law, or by Section 15.2(d) as to certain notices to Eligible Mortgagees, any notice permitted or required to be delivered under the provisions of the Declaration or the Bylaws may be delivered either personally or by mail, addressed to the person entitled to such notice at the most recent address given by such person to the Board in writing, or to the most recent address known to the Board. Notice to the Owner of any Unit shall be sufficient if mailed to his or her Unit if no other mailing address has been given to the Board. Mailing addresses may be changed from time to time by notice in writing to the Board. Notice to be given to the Association may be given to Declarant until the initial Board has been constituted and thereafter shall be given to the President or Secretary of the Association, or to its Registered Agent.

19.1.2 New Unit Owners must supply their names and addresses, along with the names and addresses of their respective Mortgagees, to the Secretary of the Association promptly after conveyance.

**19.2 Severability.**

The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any one provision or portion thereof shall not affect the validity or enforceability of any other provision hereof, if the remainder complies with the Condominium Act and furthers the common plan of this Condominium.

**19.3 No Right of First Refusal.**

There is no right of first refusal in the Association limiting or restricting the right of any Unit Owner to sell, transfer or convey his or her Unit.

19.4 Effective Date.

This Revised and Restated Declaration shall take effect upon recording.

IN WITNESS WHEREOF, the Association has caused this Amendment to be executed as of the date first written above, by its President, who hereby certifies, pursuant to Section 17.1 of the Declaration, this Amendment was properly adopted.

VILLAGE AT CORDATA, NORTHSIDE,  
CONDOMINIUM ASSOCIATION,  
a Washington Non-profit Miscellaneous  
and Mutual Corporation

By:  
Its:

Fred Dether  
President

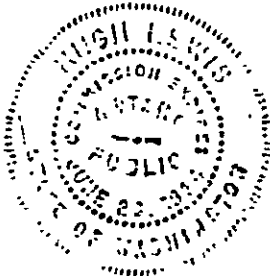
STATE OF WASHINGTON )

) ss.

COUNTY OF WHATCOM )

I certify that I know or have satisfactory evidence that Fred Dether is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the President of the Village at Cordata, Northside, Condominium Association to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

DATED: February 1, 1994.



Fred Dether  
NOTARY PUBLIC for the State of  
Washington. My Commission  
expires 6-26-94

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File No: 940208073

EXHIBIT 'A'  
TO DECLARATION FOR  
VILLAGE AT CORDATA, NORTHSIDE, A CONDOMINIUM

LEGAL DESCRIPTION OF LAND WITHIN THE CONDOMINIUM

The legal description of the land on which the buildings and improvements of the Condominium are located is as follows:

1. PHASE 1.

Vol: 372 Page: 75  
File No: 940208073

LEGAL DESCRIPTION

THAT PORTION OF PARCEL 4, "CORDATA SPECIFIC BINDING SITE PLAN NO. 1", AS PER THE MAP THEREOF RECORDED IN VOLUME 1 OF BINDING SITE PLANS, PAGES 13 TO 15, INCLUSIVE, UNDER AUDITOR'S FILE NO. 1598964, RECORDS OF WHATCOM COUNTY, WASHINGTON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID PARCEL 4; THENCE SOUTH 89 DEGREES 40' 24" EAST ALONG THE SOUTH LINE OF SAID PARCEL 4 AND THE NORTHERLY MARGIN OF JUNE ROAD, 115.83 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 42 DEGREES 28' 00" EAST, 137.64 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 18 DEGREES 10' 14" AND A CENTER BEARING NORTH 10 DEGREES 32' 04" EAST, 130.00 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE 41.23 FEET; THENCE NORTH 28 DEGREES 42' 18" EAST, 40.00 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 49 DEGREES 30' 13" AND A CENTER BEARING NORTH 28 DEGREES 42' 18" EAST, 90.00 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE, 77.76 FEET; THENCE NORTH 72 DEGREES 05' 00" EAST, 101.05 FEET; THENCE NORTH 8 DEGREES 32' 00" EAST, 226.98 FEET; THENCE SOUTH 85 DEGREES 10' 00" EAST, 267.14 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 36 DEGREES 17' 06" AND A CENTER BEARING SOUTH 81 DEGREES 45' 30" WEST, 90.00 FEET; THENCE SOUTHERLY ALONG THE ARC OF SAID CURVE, 57.00 FEET; THENCE SOUTH 61 DEGREES 57' 24" EAST, 40.00 FEET; THENCE SOUTH 28 DEGREES 02' 36" WEST, 47.10 FEET; THENCE SOUTH 75 DEGREES 18' 39" EAST, 113.17 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 38 DEGREES 15' 09" AND A CENTER BEARING SOUTH 51 DEGREES 25' 14" EAST, 340.00 FEET; THENCE SOUTHERLY ALONG THE ARC OF SAID CURVE, 226.99 FEET; THENCE SOUTH 0 DEGREES 19' 36" WEST, 67.27 FEET TO A POINT ON THE ARC OF A TANGENTIAL CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 90 DEGREES 00' 00" AND A CENTER BEARING NORTH 89 DEGREES 40' 24" WEST, 25.00 FEET; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE 39.27 FEET; THENCE NORTH 89 DEGREES 40' 24" WEST, 437.89 FEET TO THE TRUE POINT OF BEGINNING.

SUBJECT TO ALL RESTRICTIONS, COVENANTS, AND EASEMENTS OF RECORD.  
SITUATE IN COUNTY OF WHATCOM, STATE OF WASHINGTON.  
CONTAINING 169,725 SQUARE FEET, MORE OR LESS.

2. PHASE 2.

LEGAL DESCRIPTION

THAT PORTION OF PARCEL 4, "CORDATA SPECIFIC BINDING SITE PLAN NO. 1, AS PER THE MAP THEREOF RECORDED IN VOLUME 1 OF BINDING SITE PLANS, PAGES 13 TO 15, INCLUSIVE, UNDER AUDITOR'S FILE NO. 1598964, RECORDS OF WHATCOM COUNTY, WASHINGTON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID PARCEL 4; THENCE SOUTH 89 DEGREES 40' 24" EAST ALONG THE SOUTH LINE OF SAID PARCEL 4 AND THE NORTHERLY MARGIN OF JUNE ROAD, 116.83 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 42 DEGREES 28' 00" EAST, 137.64 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 18 DEGREES 10' 14" AND A CENTER BEARING NORTH 10 DEGREES 32' 04" EAST, 130.00 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE 41.23 FEET; THENCE NORTH 28 DEGREES 42' 18" EAST, 40.00 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 40 DEGREES 30' 13" AND A CENTER BEARING NORTH 28 DEGREES 42' 18" EAST, 90.00 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE, 77.76 FEET; THENCE NORTH 72 DEGREES 05' 00" EAST, 101.05 FEET; THENCE NORTH 8 DEGREES 32' 00" EAST, 124.93 FEET; THENCE NORTH 57 DEGREES 50' 09" WEST, 133.99 FEET; THENCE NORTH 00 DEGREES 52' 32" EAST, 66.57 FEET; THENCE NORTH 89 DEGREES 07' 28" WEST, 40.00 FEET; THENCE SOUTH 57 DEGREES 00' 45" WEST, 120.43 FEET; THENCE SOUTH 00 DEGREES 52' 32" WEST, 437.90 FEET; THENCE SOUTH 89 DEGREES 40' 24" EAST ALONG THE SOUTH LINE OF SAID PARCEL 4 AND THE NORTHERLY MARGIN OF JUNE ROAD, 116.83 FEET TO THE TRUE POINT OF BEGINNING.

SUBJECT TO ALL RESTRICTIONS, COVENANTS, AND EASEMENTS OF RECORD.  
SITUATE IN COUNTY OF WHATCOM, STATE OF WASHINGTON.  
CONTAINING 91,375 SQUARE FEET, MORE OR LESS.

3. PHASE 5.

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File No: 940208073

LEGAL DESCRIPTION

THAT PORTION OF PARCEL 4, "CORDATA SPECIFIC BINDING SITE PLAN NO. 1", AS PER THE MAP THEREOF RECORDED IN VOLUME 1 OF BINDING SITE PLANS, PAGES 13 TO 15, INCLUSIVE, UNDER AUDITOR'S FILE NO. 1598964, RECORDS OF WHATCOM COUNTY, WASHINGTON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID PARCEL 4 ALSO BEING THE TRUE POINT OF BEGINNING; THENCE NORTH 43 DEGREES 14' 55" WEST ALONG THE EAST LINE OF SAID PARCEL 4, 395.99 FEET; THENCE SOUTH 46 DEGREES 45' 05" WEST, 180.00 FEET; THENCE SOUTH 43 DEGREES 14' 55" EAST, 38.98 FEET; THENCE SOUTH 48 DEGREES 16' 56" WEST, 151.10 FEET; THENCE SOUTH 85 DEGREES 10' 00" EAST, 201.72 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 36 DEGREES 18' 14" AND A CENTER BEARING SOUTH 81 DEGREES 46' 04" WEST, 90.00 FEET; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE 57.03 FEET; THENCE SOUTH 61 DEGREES 57' 24" EAST, 40.00 FEET; THENCE SOUTH 28 DEGREES 02' 36" WEST, 47.10 FEET; THENCE SOUTH 75 DEGREES 18' 39" EAST, 113.17 FEET TO A POINT ON THE ARC OF A CURVE HAVING A CENTRAL ANGLE OF 23 DEGREES 01' 46" AND A CENTER BEARING SOUTH 51 DEGREES 25' 14" EAST, 340.00 FEET; THENCE NORTHEASTERLY ALONG THE ARC OF SAID CURVE 136.66 FEET; THENCE NORTH 61 DEGREES 36' 32" EAST, 80.00 FEET TO THE TRUE POINT OF BEGINNING.

SUBJECT TO ALL RESTRICTIONS, COVENANTS, AND EASEMENTS OF RECORD.  
SITUATE IN WHATCOM COUNTY, WASHINGTON.  
CONTAINING 2.06 ACRES MORE OR LESS.

4. PHASE 4.

LEGAL DESCRIPTION

THAT PORTION OF PARCEL 4, "CORDATA SPECIFIC BINDING SITE PLAN NO. 1" AS PER THE MAP THEREOF RECORDED IN VOLUME 1 OF BINDING SITE PLANS, PAGES 13 TO 15, INCLUSIVE, UNDER AUDITOR'S FILE NO. 1598964, RECORDS OF WHATCOM COUNTY, WASHINGTON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SAID PARCEL 4 ALSO BEING THE TRUE POINT OF BEGINNING; THENCE SOUTH 43 DEGREES 14'55" EAST 110.00 FEET; THENCE SOUTH 46 DEGREES 45'05" WEST 180.00 FEET; THENCE SOUTH 43 DEGREES 14'55" EAST 38.98 FEET; THENCE SOUTH 48 DEGREES 17'00" WEST 151.10 FEET; THENCE NORTH 85 DEGREES 10'00" WEST 65.44 FEET; THENCE NORTH 8 DEGREES 32'00" EAST 52.32 FEET; THENCE NORTH 45 DEGREES 37'00" WEST 126.68 FEET; THENCE NORTH 5 DEGREES 30'00" WEST 48.95 FEET; THENCE NORTH 20 DEGREES 54'37" EAST 55.08 FEET; THENCE NORTH 0 DEGREES 52'32" EAST 109.69 FEET; THENCE SOUTH 89 DEGREES 07'28" EAST 288.41 FEET TO THE TRUE POINT OF BEGINNING.

SUBJECT TO ALL RESTRICTIONS, COVENANTS AND EASEMENTS OF RECORD.  
SITUATE IN WHATCOM COUNTY, WASHINGTON, CONTAINING 1.95 ACRES MORE OR LESS.

5. PHASE 3.

THAT PORTION OF PARCEL 4, "CORDATA SPECIFIC BINDING SITE PLAN NO. 1" AS PER THE MAP THEREOF RECORDED IN VOLUME 1 OF BINDING SITE PLANS, PAGES 13 TO 15, INCLUSIVE, UNDER AUDITOR'S FILE NO. 1598964, RECORDS OF WHATCOM COUNTY, WASHINGTON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SAID PARCEL 4; THENCE NORTH 89 DEGREES 07'28" WEST ALONG THE NORTH LINE OF SAID PARCEL 4, A DISTANCE OF 288.41 FEET TO THE TRUE POINT OF BEGINNING; THENCE SOUTH 0 DEGREES 52'32" WEST 109.60 FEET; THENCE SOUTH 20 DEGREES 54'37" WEST 55.08 FEET; THENCE SOUTH 5 DEGREES 30'00" EAST 48.95 FEET; THENCE SOUTH 56 DEGREES 37'00" EAST 126.68 FEET; THENCE SOUTH 8 DEGREES 32'00" WEST 154.37 FEET; THENCE NORTH 57 DEGREES 50'09" WEST 133.99 FEET; THENCE NORTH 0 DEGREES 52'32" EAST 66.57 FEET; THENCE NORTH 89 DEGREES 07'28" WEST 40.00 FEET; THENCE SOUTH 57 DEGREES 00'45" WEST 120.43 FEET TO THE WEST LINE OF SAID PARCEL 4; THENCE NORTH 0 DEGREES 52'32" EAST ALONG THE WEST LINE OF SAID PARCEL 4 362.11 FEET TO THE NORTHWEST CORNER OF SAID PARCEL 4; THENCE SOUTH 89 DEGREES 07'28" EAST ALONG THE NORTH LINE OF SAID PARCEL 4 181.67 FEET TO THE TRUE POINT OF BEGINNING.

SUBJECT TO ALL RESTRICTIONS, COVENANTS AND EASEMENTS OF RECORD.

SITUATE IN WHATCOM COUNTY, WASHINGTON, CONTAINING 1.67 ACRES MORE OR LESS.



EXHIBIT "B"

TO DECLARATION FOR THE VILLAGE AT CORDATA, NORTHSIDE, A CONDOMINIUM

Description of Units:

UNIT TYPE	NUMBER OF ROOMS	LIVING SPACE APPROX. SQ.FT.OD.	DESCRIPTION
H	8	1250	Nook, kitchen, living room/dining room combination, two bedrooms, two bathrooms, utility room, double attached garage, all on one floor.
J	8	1410	Nook, kitchen, living room/dining room combination, two bedrooms, two bathrooms, utility room, double attached garage, all on one floor.
K	9	1760	Nook, kitchen, living room/dining room combination, two bedrooms, two bathrooms, utility room, double attached garage, all on one floor with second storey loft.
L	8	1690	Kitchen, living room/dining room combination, three bedrooms, two bathrooms, utility room, double attached garage, all on one floor.
M	8	1835	Kitchen, living room/dining room combination, three bedrooms, two bathrooms, utility room, double attached garage, all on one floor.

Unit Description:

PHASE	UNIT	ADDRESS*	TYPE OF UNIT	NO. PRIMARY BEDROOMS	NO. LEVELS	NO. BUILT-IN FIREPLACES
1	1	1254	H	3	1	1
1	2	1252	K	2	2	0
1	3	1250	H	2	1	0
1	4	1248	M	3	1	1
1	5	1246	K	2	2	1
1	6	1244	K	2	2	1
1	7	1242	M	2	1	0
1	8	1240	L	3	1	1
1	9	1238	L	3	1	0
1	10	1233	G	2	1	1
1	11	1237	H	2	1	0
1	12	1239	J	2	1	0
1	13	1241	J	2	1	1
1	14	1243	M	3	1	1

\*ALL - Northwind Circle, Bellingham, WA 98226

PHASE	UNIT	ADDRESS*	TYPE OF UNIT	NO. PRIMARY BEDROOMS	NO. LEVELS	NO. BUILT-IN FIREPLACES
1	15	5069	H	2	1	1
1	16	5071	G	2	1	0
1	17	5073	M	3	1	1
1	18	5075	L	3	1	0
1	19	5077	M	3	1	1
1	20	5079	L	2	1	1
1	21	5081	L	2	1	1

\*ALL - Northwind Court, Bellingham, WA 98226

PHASE	UNIT	ADDRESS*	TYPE OF UNIT	NO. PRIMARY BEDROOMS	NO. LEVELS	NO. BUILT-IN FIREPLACES
2	1	1236	H	2	1	0
2	2	1234	K	2	2	0
2	3	1232	M	3	1	0
2	4	1230	M	3	1	1
2	5	1228	G	2	1	1
2	6	1226	K	2	2	1

PHASE	UNIT	ADDRESS*	TYPE OF UNIT	NO. PRIMARY BEDROOMS	NO. LEVELS	NO. BUILT-IN FIREPLACES
2	7	1224	K	2	2	1
2	8	1222	L	3	1	1
2	9	1227	J	2	1	1
2	10	1229	H	2	1	0
2	11	1231	J	2	1	1
5	1	1268	L	3	1	1
5	2	1266	J	2	1	1
5	3	1264	M	3	1	1
5	4	1262	L	3	1	1
5	5	1260	L	3	1	1
5	6	1258	K	2	2	0
5	7	1256	G	2	1	1
5	8	1261	L	3	1	1
5	9	1265	H	2	1	1

\*ALL - Northwind Circle, Bellingham, WA 98226

PHASE	UNIT	ADDRESS*	TYPE OF UNIT	NO. PRIMARY BEDROOMS	NO. LEVELS	NO. BUILT-IN FIREPLACES
4	1	1208	K	2	2	1
4	2	1206	K	2	2	1
4	3	1204	H	2	1	1
4	4	1202	J	2	1	1
4	5	1200	K	2	2	1
4	6	1198	H	2	1	1
4	7	1203	J	2	1	1
4	8	1205	H	2	1	1
4	9	1207	J	2	1	1
4	10	1209	G	2	1	1

\*ALL - Northwind Circle, Bellingham, Washington, 98226

PHASE	UNIT	ADDRESS*	TYPE OF UNIT	NO. PRIMARY BEDROOMS	NO. LEVELS	NO. BUILT-IN FIREPLACES
3	1	1220	K	2	2	1
3	2	1218	M	3	1	1
3	3	1216	K	2	2	1
3	4	1214	L	3	1	1
3	5	1212	K	2	2	1
3	6	1210	M	3	1	1
3	7	1221	H	2	1	1
3	8	1223	J	2	1	1
3	9	1225	J	2	1	1

\*ALL - Northwind Circle, Bellingham, Washington, 98226

#### ALLOCATED INTERESTS

The Allocated Interest of each Unit in the Condominium, for its undivided interest in the Common Elements, its Common Expense liability, and its votes in the Association, which is allocated equally among the Units by the provisions of Section 5.3, 7.4.2 and 10.6 of this Declaration, is 1.6667%.



2090305238

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3/31/2009 3:18 PM  
AMRC \$56.00  
Whetcom County, WA

Request of: HUGH LEWIS

HUGH LEWIS  
2200 RIMLAND DRIVE  
SUITE 220  
BELLINGHAM, WA  
98226

**FIRST AMENDMENT TO AMENDED AND  
RESTATED DECLARATION  
FOR  
VILLAGE AT CORDATA, NORTHSIDE,  
A CONDOMINIUM**

TITLE OF DOCUMENT:	SIXTH AMENDMENT TO CONDOMINIUM DECLARATION FOR VILLAGE AT CORDATA, NORTHSIDE, A CONDOMINIUM
DOCUMENT AMENDED:	AF# 940208073
GRANTOR:	VILLAGE AT CORDATA, NORTHSIDE, CONDOMINIUM ASSOCIATION
GRANTEE:	THE GENERAL PUBLIC

AFTER RECORDING, RETURN TO:  
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**FIRST AMENDMENT TO AMENDED AND RESTATED DECLARATION  
FOR VILLAGE AT CORDATA, NORTHSIDE CONDOMINIUM**

**PURPOSE: TO MODIFY PROVISIONS RELATING TO INSURANCE AND CASUALTY LOSSES  
AND "OVER 55" AGE REQUIREMENTS, TO IMPOSE NEW RESTRICTIONS ON LEASING, AND  
TO ADD NEW RESERVE STUDY REQUIREMENTS**

THIS AMENDMENT is made this 26 day of MARCH, 2009, by Unit Owners Association of Village at Cordata, Northside Condominium, (the "Association").

**WITNESSETH THAT:**

WHEREAS, a certain Condominium Declaration establishing Village at Cordata, Northside Condominium ("the Condominium") in Bellingham, Washington, was recorded by its Declarant at Auditor's File No. 901030216 among the land records of Whatcom County, Washington, along with a Survey Map and Plans, which were contemporaneously recorded at Auditor's File No. 901030215; the Declaration has been previously amended by instruments recorded at Auditor's File Nos. 910214092, 910508093, 910620177, 910806091, 920114112. The Survey Map & Plans have been previously amended by instruments recorded at Auditor's File Nos. 910214091, 910806090, 910620178, 910508092.

WHEREAS, pursuant to RCW 64.34.264 and Section 17.1 of the Declaration, the Declaration of this Condominium may be amended by the vote or agreement of unit owners of Units holding defined percentages of the votes in the Association, along with the consent of at least 51% of any Eligible Mortgagees;

WHEREAS, the Association has determined that it is necessary or desirable to amend and replace portions of the Declaration, including [i] Article XI of the Declaration, dealing with insurance coverage and casualty losses, [ii] Sections 9.1.2 and 9.1.12, dealing with "Housing for Older Persons" requirements, [iii] Section 10.3, dealing with reserves; and [iv] to add a new Section 9.2 and modifications to Section 9.1.9 regarding leasing of Units, in the manner hereinafter specified; the Association has obtained the necessary consent of the requisite percentage of Unit Owners prior to the date of this Amendment, and there being no Eligible Mortgagees;

NOW, THEREFORE, pursuant to and in compliance with Section 17.1 of the Declaration and RCW 64.34.264, the Association hereby amends the following portions of the Declaration:

**ARTICLE IX**

**PERMITTED USES: ARCHITECTURAL UNIFORMITY**

**9.1 Permitted Uses.**

**9.1.2 Housing for Older Persons Requirements.**

The Condominium has been designed as housing for older persons, and shall be operated generally for occupancy by persons fifty-five (55) years of age or older, in accordance with the provisions of Title 42 U.S.C. §3607(b)(2)(B), and with regulations later promulgated by the Secretary of HUD thereunder. The Association shall maintain a list of all Occupants and their respective birth dates to assure

compliance with this Section, and shall take the steps identified in Subpart (iii) hereof to continually verify the ages of residents. Owners and Occupants shall be subject to the following requirements:

(i) Except as provided immediately below, the Units in this Condominium are intended for the use and occupancy by older persons. At least 80 percent of the Units in the housing shall be occupied by at least one person who is at least fifty-five (55) years of age or older. Further, at least ninety-five percent (95%) of the Units shall be occupied by at least one person forty (40) years of age or older. No person under the age of 18 years of age is permitted to be Occupant of a unit. Visitors under the age of 18 years (hereinafter, "young visitors") shall be allowed to visit Owners or Occupants of Units, but only for periods of time not to exceed thirty (30) nights out of any six (6) month period as to each visitor. The Board may adopt additional rules regarding such visitations, and may require that any visitor found to be unreasonably disturbing other Owners be required to leave the premises, and may exercise its authority for specific visitors even though other visitors are permitted to remain.

(ii) No Unit shall be sold, rented or leased to any person or persons unless the standards established in this paragraph are complied with. Without limiting the authority of the Board described in the Bylaws, the Association shall have the specific legal right to seek injunctive relief from the Superior Court of the State of Washington for Whatcom County with respect to any Owner or Occupant found to be not in compliance with this Section 9.1.2. Noncomplying Occupants may be evicted. The prevailing party in such an action shall be entitled to reasonable attorneys' fees and costs of suit.

(iii) The Association shall maintain permanent records substantiating its continuing compliance with the policies and age limitations described herein, and shall regularly update such records, through surveys or other means. Such updates must take place at least once every two years. A survey may include information regarding whether any units are occupied by persons who are (a) employees of the Association who perform substantial management or maintenance functions for the Condominium Community; (b) persons who are necessary to provide a reasonable accommodation to disabled residents; or (c) family members residing in Units with their older relatives. Any of the following documents are considered reliable documentation of the age of the Occupants of the Condominium Community: Driver's license; Birth certificate; Passport; Immigration card; Military identification; Any other state, local, national, or international official documents containing a birth date of comparable reliability; A certification in a lease, application, affidavit, or other document signed by any member of the household age 18 or older asserting that at least one person in the unit is 55 years of age or older; or forms or applications previously submitted by or on behalf of such Occupant.

(iv) A summary of occupancy surveys undertaken under Subpart (iii) above shall be available for inspection upon reasonable notice and request by any person.

(v) The Association shall post in the Common Elements of the Condominium notices describing the Condominium as housing for persons 55 years of age or older. Phrases such as "adult living", "adult community", or similar statements are not consistent with an intent that this Condominium intends to operate as housing for persons 55 years of age or older.

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#### 9.1.9 General Lease Restrictions.

With the exception of an institutional lender in possession of a Unit following a default under a

mortgage, a foreclosure proceeding or any deed or other arrangement in lieu of foreclosure, no Unit Owner shall be permitted to lease his or her Unit for periods of less than thirty (30) days. Any lease agreement shall be required and deemed to provide that the terms of the lease shall be subject in all respects to the provisions of the Condominium Instruments, and that any failure by the Lessee to comply with such provisions shall be a default under the lease, entitling the Association to enforce such provisions as a real party in interest. To ensure that legally-required percentages of occupancy by older persons, as established in Section 9.1.2 (i) hereof, are continually met in this Condominium, tenants will be required to provide birth certificates, drivers' licenses, marriage certificates, or other forms of evidence of their age to permit the Association to meet its obligations under Section 9.1.2 (iii) hereof. All leases shall be in writing, and the Association is entitled to receive copies of all leases. A lease, as defined herein, may include month-to-month rentals, but neither subleasing nor transient occupancy for a term of less than 30 days is permitted. Any tenant shall be deemed to have assumed all non-monetary responsibilities of an Owner under this Section of the Declaration. See Section 9.2 hereof for limitations on the numbers of Units which may be rented in this Condominium.

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9.1.12 Uses of Clubhouse and Common Elements to be Compatible with Age Restrictions.

The Clubhouse, any recreational facilities and the other Common Elements shall at all times be used and operated in a quiet and careful manner so as not to disturb the Owners and Occupants of this Condominium community. No scooters, "hot wheels" or other similar recreational devices shall be ridden on the common roadways or walkways of the community. Additional rules and regulations may be promulgated to govern the use and operation of all common facilities.

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9.2 Limitation on Number of Units Which May Be Leased By Their Owners.

9.2.1 Number Of Units Which May be Leased By Investor-Owners.

Subject to the conditions and exceptions appearing below, the total number of Units in the Condominium which may be leased to third parties at any one time by Investor-Owners (i.e., persons who have never occupied their Unit or who have not occupied their Unit for a period in excess of one year) shall be six (6) Units; such Units shall be known herein as "Rental Units".

9.2.2 Circumstances Justifying Temporary Increase in Number of Leased Units.

To avoid undue hardship on an Occupant-Owner (i.e., an Owner who has occupied his/her Unit for at least one year) who experiences a need to move temporarily from his or her Unit for health-related reasons for a period not exceeding two (2) years in duration, or for an extended vacation or an employment-related relocation for a period not exceeding two (2) years in duration, such Owner may lease the Unit following the written approval of the Board of Directors, which approval shall not be unreasonably withheld. Upon good cause shown in writing by such an Owner, such a lease may be extended or renewed for an additional period of up to one year, provided that such Owner first demonstrates to the reasonable satisfaction of the Board that the Owner truly intends to resume use of the Unit as a personal residence following the conclusion of the lease term. PROVIDED, however, that no such leasing shall be permitted if at the time of an Occupant-Owner's request for same, the total number of Units occupied by tenants (including the Unit subject to such request) shall exceed 25% of the total number of Units in the Condominium.

9.2.3 Recognition of Existing Rentals ("Grandfathering").

If, as of the date of recordation of this Amendment, the total number of Investor-owned Units shall exceed the number permitted in Section 9.2.1 hereof, then all such Units shall be permitted to remain as Rental Units until they are conveyed to a new Owner, at which time the limitations of Section 9.2.1 hereof shall apply.

9.2.4 Rental Incident to Bona Fide Sale of Unit.

A Unit may be rented by its Owner in conjunction with a *bona fide* sale of such Unit for a period of not more than three months. The foregoing includes rental to a purchaser of the Unit prior to closing, and a "lease-back" of the Unit following closing.

9.2.5 Exemption for Institutional Lenders, Family Members and Association.

The restrictions of this Section 9.2 shall not apply to the Association following a foreclosure of its lien for assessments, or to an institutional lender in possession of a Unit following a default under a first mortgage, a foreclosure proceeding or any deed or other arrangement in lieu of foreclosure. Units leased by their Owners to immediate family members [parents, children, or siblings] shall not be considered Rental Units; in such cases, it shall be the responsibility of the Owner to notify the Board of the commencement and termination of the family tenancy, and this exemption shall cease when occupancy of the Unit by a family member ceases. A Unit which is owned by a family trust, family limited partnership, or similar entity for estate planning or similar purposes, when occupied by an immediate family member of the original Owner who established the entity, shall be considered exempt as a family tenancy.

9.2.6 Selling Owner Responsible for Compliance with Rental Restrictions.

Each Owner shall be responsible for advising any purchaser of the Unit of the existence of these restrictions on rental units, and may be held liable to the Association for any damages, costs and/or expenses incurred by the Association as a result of such failure.

9.2.7 Justification and Enforcement.

The restrictions in this Section are necessary to maintain the primarily owner-occupied status of the Condominium, so as to enhance the market value of the Units therein, to preserve the ability of Occupant-Owners to obtain favorable, owner-occupied mortgage financing for their Units, and to maintain the sense of community which can suffer when a disproportionate percentage of Units become occupied by tenants. All leasing of Units shall be conducted in accordance with the provisions of Section 9.1.14 of this Declaration. No Owner shall enter into or permit nor shall the Board consent to, any lease, sublease or rental agreement, the effect of which would result in noncompliance with this Section. The Board may resort to any and all remedies contained in the Condominium Instruments, in addition to unlawful detainer proceedings, as may be necessary to fully implement the terms hereof.

9.3 Architectural Uniformity.

In order to preserve a uniform exterior appearance to the buildings, and the Common Elements visible to the public, the Board shall provide for the painting and other decorative finish of the buildings,

decks, or other Common Elements, and may prohibit or regulate any modification or decoration of the decks or other Common Elements undertaken or proposed by any Owner. This power of the Board extends to screens, doors, awnings, rails or other visible portions of each Unit and any Limited Common Elements appurtenant thereto. The Board may also require use of a uniform color and/or style of draperies, blinds, under-draperies or drapery lining for all Units.

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### 10.3 Reserves for Major Repairs, Replacements, & Insurance Deductibles.

#### 10.3.1 Establishment of Reserves.

The Board of Directors shall establish and maintain reasonable reserves for major repairs and replacements which will, when funded, minimize the necessity for the imposition of a special assessment upon the Owners within the foreseeable future. Reserves shall also be established for the deductible under insurance policies obtained pursuant to Article XI hereof, exclusive of earthquake and/or related coverages. The Annual Budget of the Association shall always contain provisions for such reserves. The Association shall allocate and deposit monthly to such reserves one-twelfth of the total amount budgeted for such reserves in the current fiscal year. The Board may also establish and maintain reserve funds for operations, capital improvements and for such other purposes as may appear advisable. All reserves shall be identified and segregated on the books of the Condominium. The portions of the Units' Assessments paid into such reserves shall be conclusively deemed to be non-refundable contributions to the capital of the Association by the Unit Owners. Such reserves may be expended only for the purposes for which they were established unless the Unit Owners, at a duly-constituted meeting of the Association, otherwise decide. The Budget may include reserves for any Special Limited Common Elements, assessable against only the Unit(s) benefitted thereby.

#### 10.3.2 Reserve Study Required by State Law.

Unless doing so would impose an unreasonable hardship, the Association shall prepare and update a Reserve Study, in accordance with amendments to the Condominium Act adopted by the State Legislature in 2008. The initial Reserve Study should be based upon a visual site inspection conducted by or under the direction of a Reserve Study Professional. Unless doing so would impose an unreasonable hardship, the Association shall update the Reserve Study annually. At least every three years, an updated Reserve Study must be prepared and based upon a visual site inspection conducted by a Reserve Study Professional. In preparing a Reserve Study, the Association shall estimate the anticipated major maintenance, repair, and replacement costs, whose infrequent and significant nature make them impractical to be included in an annual budget. A Reserve Study shall include:

- (a) A reserve component list, including quantities and estimates for the useful life of each reserve component, the remaining useful life of each reserve component, and current repair and replacement cost for each component;
- (b) The date of the study and a statement that the study meets the statutory requirements;
- (c) The level of reserve study performed: (i) Level I: Full reserve study funding analysis and plan; (ii) Level II: Update with visual site inspection; or (iii) Level III: Update with no visual site inspection;



- (d) The Association's reserve account balance;
- (e) The percentage of the fully funded balance that the reserve account is funded;
- (f) Special assessments already implemented or planned;
- (g) Interest and inflation assumptions;
- (h) Current reserve account contribution rate;
- (i) Recommended reserve account contribution rate;
- (j) Projected reserve account balance for thirty years and a funding plan to pay for projected costs from those reserves without reliance on future unplanned special assessments;
- (k) Whether the Reserve Study was prepared with the assistance of a Reserve Study Professional.; and
- (l) Statutory warning language.

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## ARTICLE XI

### INSURANCE, DESTRUCTION, RESTORATION AND DISTRIBUTION

#### 11.1 Authority, Name of Insured.

The Board of Directors shall obtain and maintain casualty and liability insurance under such terms and for such amounts as shall be deemed necessary by the Board of Directors. Monetary levels of coverage shall be determined annually by the Board of Directors with assistance of the agent of the insurance company affording such coverage. Unless not reasonably available, such coverage shall follow the terms, conditions and amounts required by Section 11.2 hereof. The name of the insured under each required policy shall be stated as follows: "Village at Cordata, Northside, Condominium Association."

#### 11.2 Insurance Policies and Coverage.

##### 11.2.1 Master Policy.

The Condominium shall be insured under a "master", "blanket" or "entity" type of policy, against casualty or physical damage in an amount equal to the maximum insurable replacement value of the Common Elements and the Units (i.e., 100% of total replacement costs based upon the value of replacing all buildings and all improvements of the Condominium exclusive of land, excavations and foundations, utilizing contemporary building materials and technology.) Such coverage shall afford protection against:

- (a) loss or damage by fire, vandalism, malicious mischief, windstorm, and other hazards

covered by the standard "broad form" and/or "special" extended coverage endorsements or their equivalent, together with Common Expense assessments coverage with respect to the Units during any period of repair or reconstruction; and such other perils customarily covered by insurance for similar condominium projects. Such coverage shall insure all buildings and other General and Limited Common Elements that are normally included in coverage. The policy shall also cover all of the Units and their bathroom, laundry and kitchen equipment, fixtures and cabinets, together with all included electrical and plumbing fixtures and equipment, any heating and ventilating and other equipment supplied or installed by the Declarant, but not including furniture, furnishings or other personal property supplied or installed by Unit Owners. The policy shall also cover other Condominium property including fixtures, building service equipment and common personal property and supplies owned by the Owners Association or included in the Common Elements. An insurance policy that includes either of the following endorsements will assure full insurable value replacement cost coverage:

(i) a Guaranteed Replacement Cost Endorsement (under which the insurer agrees to replace the insurable property regardless of the cost) and, if the policy includes a coinsurance clause, an Agreed Amount Endorsement (which waives the requirement for coinsurance); or

(ii) a Replacement Cost Endorsement (under which the insurer agrees to pay up to 100% of the Property's insurable replacement cost, but no more) and, if the policy includes a coinsurance clause, an Agreed Amount Endorsement (which waives the requirement for coinsurance).

(b) the following Special Endorsements, or their functional equivalent:

(i) an Inflation Guard Endorsement, when it can be obtained; and

(ii) Building Ordinance, Construction Code or Law Endorsement, if the enforcement of any building, zoning, or land-use law will result in loss or damage, increased cost of repairs or reconstruction, or additional demolition and removal costs. (The endorsement must provide for contingent liability from the operation of building laws, demolition costs, and increased costs of reconstruction.)

(c) liability for death, personal injury and property damage arising from the use, ownership or maintenance of any of the Common Elements. The insurance should also cover any commercial spaces that are owned by the Association, even if they are leased to others. Coverage should be afforded under a commercial general liability policy for the entire project, including all areas under the supervision of the Association. Limits of liability shall in no event be less than \$1,000,000 with respect to any single occurrence; and

(d) medical payments coverage, in such amounts as are customarily provided in such policies.

#### 11.2.2 Flood Insurance.

If any part of the Condominium's improvements are in a Special Flood Hazard Area -- which is designated as A, AE, AH, AO, A1-30, A-99, V, VE, or V1-30 on a Flood Insurance Rate Map (FIRM), the Association must maintain a "master" or "blanket" policy of flood insurance which should cover buildings and any other improvements constituting Common Elements. If the project consists of high-rise or other vertical buildings, the Association must have a separate flood insurance policy for each building that houses dwelling units. The amount of flood insurance should be at least equal to the lesser of \$250,000 or

100% of the insurable value of the facilities, or the maximum coverage available under the appropriate National Flood Insurance Administration program. The contents coverage must include 100% of the insurable value of all contents, including any machinery and equipment that are not part of the building, but which are owned by the Association for its members. The maximum deductible amount for policies covering the Common Elements or for those covering each building in a high-rise or vertical condominium project, is the lesser of \$5,000 or 1% of the policy's face amount. Funds to cover this deductible amount may be included in the Association's operating reserve account.

#### 11.2.3 Earthquake Insurance.

If desirable and reasonably available, earthquake insurance may be obtained. The Board should consider the advisability of maintaining funds to cover any deductible applying to such coverage in the Association's operating reserve account.

#### 11.2.4 Directors' and Officers' Insurance.

If reasonably available, the Board shall acquire Directors' and Officers' errors and omissions insurance to satisfy the Association's indemnification responsibilities under the Bylaws of the Condominium.

#### 11.2.5 Fidelity Insurance.

The Association shall obtain blanket fidelity insurance for any person who either handles (or is responsible for) funds that he or she holds or administers, whether or not that individual receives compensation for services. The policy shall name the Association as the insured and must include a provision that calls for ten days' written notice to the Association and all Eligible Mortgagees before the policy can be canceled or substantially modified for any reason, in the manner provided in Section 15.2 hereof. The policy should cover the maximum funds that will be in the custody of the Association or its Manager at any time while the policy is in force. A Manager that handles funds for the Association may be named as an additional insured under such policy, or may be covered by its own fidelity insurance policy, which should provide the same coverage required of the Association.

#### 11.2.6 Additional Insurance.

The Board shall also acquire such additional insurance coverage as it may deem advisable and appropriate, including Workmen's Compensation insurance, where necessary to meet the requirements of law. Further, and notwithstanding any other provisions herein, the Association shall continuously maintain in effect such casualty, flood and liability insurance and fidelity insurance meeting the insurance and fidelity bond requirements for condominium projects established by Federal National Mortgage Association, Government National Mortgage Association, Federal Home Loan Mortgage Corporation, Veteran's Administration, or other governmental or quasi-governmental agencies involved in the secondary mortgage market, so long as any such agency is a Mortgagee or Owner of a Unit within the Condominium; in the event that such additional coverage is not reasonably available, the procedures described in Section 11.6 shall be followed.

#### 11.2.7 General Policy Provisions and Limitations.

Insurance obtained pursuant to the requirements of this Article XI shall be subject to the following provisions:

(a) Each policy shall be written with a company or companies which are licensed to do business in the State of Washington and which hold a B general policyholder's rating or a financial performance index of 6 or better in the latest edition of Best's Key Rating Guide, or an A or better rating from Demotech, Inc., or such other rating(s) by such other entities as may be acceptable to or required by Federal National Mortgage Association, Government National Mortgage Association, Federal Home Loan Mortgage Corporation, Veteran's Administration, or other governmental or quasi-governmental agencies involved in the secondary mortgage market, so long as any such agency is a Mortgagee or Owner of a Unit within the Condominium.

(b) The master policy will be primary, even if a Unit Owner has other insurance [other than automobile liability insurance] that covers the same loss, and no insurance coverage obtained and maintained pursuant to the requirements of this Article XI shall be brought into contribution with insurance purchased individually by any of the Unit Owners or their Mortgagees, as herein permitted, and any "no other insurance" or similar clause in any policy obtained by the Board of Directors pursuant to the requirements of this Section shall exclude such policies from consideration.

(c) Each policy shall provide that it may not be canceled, substantially modified or reduced without at least 10 days' prior written notice to all insureds named thereon, including all named Mortgagees.

(d) Each policy of casualty insurance shall contain a waiver of any right of the carrier to elect to restore, or repair damage or reconstruct in lieu of making a cash settlement if a decision is made pursuant to this Declaration not to do so.

(e) Each policy shall contain a waiver of subrogation by the insurer as to any and all claims against the Unit Owners, the Association, the Board of Directors, the Manager, and their respective agents, arising from the acts of any Unit Owner, member of the Owner's household, or lessee of the Owner.

(f) Policy contracts shall provide that each Unit Owner is an insured person under the policy with respect to liability arising out of the Owner's interest in the Common Elements or membership in the Association.

(g) Each policy shall provide that (i) the policy's coverage shall not be prejudiced by any act or neglect of Unit Owners or their agents, employees, tenants, Mortgagees or invitees when such act or neglect is not within the control of the insured or the Unit Owners collectively; and (ii) the policy shall not be prejudiced by failure of the insured or the Unit Owners collectively to comply with any warranty or condition with regard to any portion of the Condominium over which the insured or the Unit Owners collectively have no control.

(h) Each policy must contain a standard mortgage clause and must name as covered Mortgagees each such covered Mortgagee, followed by the phrase "its successors and assigns."

(i) The insurer issuing the policy may not modify the amount or the extent of the coverage of the policy or cancel or refuse to renew the policy unless the insurer has complied with all applicable provisions of chapter 48.18 RCW pertaining to the cancellation or nonrenewal of contracts of insurance. The insurer shall not modify the amount or the extent of the coverage of the policy, or cancel or refuse to renew the policy without complying with RCW 64.34.352.

- (j) No policy shall refuse to recognize any Insurance Trust Agreement.

### 11.3 Deductible.

#### 11.3.1 General Provisions.

The deductible should be established at a level that is sufficiently high to eliminate minor "nuisance" claims which could cause cancellation of the Association's master policy, but not so high that Unit Owners will have difficulty obtaining their own owners' insurance coverage to cover their potential liability under Section 11.3.2 hereof.

#### 11.3.2 Owner May Be Responsible for Insurance Deductible.

Where damage is limited to a single Unit, the Owner may be held responsible and specially assessed for any uninsured amount and/or for any loss for which the Owner's or occupant's insurance may provide primary coverage. In cases where damage affects more than one Unit, or a Unit and the Common Elements, responsibility for the uninsured amount shall be pro-rated among the affected parties, including the Association; see Section 11.5 for further details. See also Section 10.7.2 of the Declaration.

### 11.4 Notice of Insurance Coverage or Termination Thereof.

11.4.1 The Board of Directors shall promptly furnish to each Unit Owner and each Eligible Mortgagee written notice of the procurement, subsequent changes, or termination of each insurance policy or fidelity bond obtained on behalf of the Association.

11.4.2 An insurer that has issued an insurance policy under this Section shall issue certificates or memoranda of insurance to the Association and, upon written request, to any Unit Owner or holder of a mortgage.

### 11.5 Individual Policies.

11.5.1 Each Unit Owner should obtain, at such owner's expense, a "Condominium Unit Owner's Policy," or equivalent, to insure against loss or damage to any upgrades, improvements or betterments to the Unit not covered by the Association's master policy, or to personal property used in or incidental to the occupancy of the Unit, additional living expenses, loss of rent, vandalism or malicious mischief, theft, personal liability, loss assessment coverage to help the Owner pay a special assessment due to casualty losses which exceed the amount of coverage under the master policy, any loss arising from the application of Section 11.3.2 hereof, and the like. Each Owner should obtain a "building coverage rider", if available. No Unit Owner shall maintain insurance coverage which will tend to decrease the amount which the Association may realize under any insurance policy which it may have in force at any particular time. The Board of Directors may require that each Unit Owner file with the Secretary or the Manager a copy of each individual policy of insurance purchased by the Unit Owner within 30 days after its purchase. Assuming that the Association obtains "all-inclusive" insurance required under Section 11.2.1 hereof, covering upgrades, improvements or betterments supplied or installed within the Units, the Board of Directors may also require that all the Owners notify the Board of Directors of all improvements made to their respective Units having a value in excess of \$5,000.

11.5.2 In the event that any Unit Owner obtains permission from the Board of Directors

to construct or maintain any Limited Common Element or other improvements within the Common Elements for the exclusive use of such Owner, the Board may require that such Owner shall acquire liability insurance with respect to such improvements, in such form and amount as may be required by the Board from time to time, which shall name the Association as an additional insured, and such Owner shall be solely responsible for all costs of insurance, maintenance, replacement and repair of such improvements.

**11.6 Unavailability, Cancellation or Nonrenewal.**

If the insurance described in Section 11.2 hereof is not reasonably available, or is modified, canceled or not renewed, the Association promptly shall cause notice of that fact to be hand-delivered or sent prepaid by first class United States mail to all Unit Owners, to each Eligible Mortgagee, and to each mortgagee to whom a certificate or memorandum of insurance has been issued, at their respective last known addresses.

**11.7 Adjustment and Payment of Loss Proceeds.**

All policies shall provide that adjustment of loss shall be made by the Board of Directors, and that proceeds payable pursuant to the policies shall be paid directly to the Board of Directors as Insurance Trustee, to be held in trust for Unit Owners and all lienholders as their interests may appear. Proceeds of insurance policies received by the Insurance Trustee shall be distributed to or for the benefit of the Unit Owners and Mortgagees entitled thereto, after first paying or making provisions for the payment of the expenses of the Insurance Trustee, in the following manner:

(a) Proceeds are to be paid first to repair or restore damage or destruction. After completely defraying the cost of the repair or restoration, any surplus proceeds shall be payable jointly to the Unit Owners and Mortgagees, if any, entitled thereto.

(b) If, pursuant to the provisions of Section 11.8 hereof, not all of the damaged or destroyed portions of the Condominium are to be repaired or replaced, insurance proceeds shall be payable as provided in that Section.

**11.8 Reconstruction Following Casualty Loss.**

**11.8.1 Duty to Reconstruct.**

Any portion of the Condominium for which insurance is required under this Section and for which the Board of Directors has the responsibility of maintenance and repair which is damaged or destroyed shall be repaired or replaced promptly by the Association unless: (a) the Condominium is terminated; (b) repair or replacement would be illegal under any state or local health or safety statute or ordinance; or (c) eighty percent (80%) of the Unit Owners, including every Owner of an Unit or assigned Limited Common Element which will not be rebuilt, along with any Mortgagees whose approval must be sought under applicable provisions of the Declaration, vote not to rebuild. The cost of repair or replacement in excess of insurance proceeds and reserves shall be a Common Expense.

**11.8.2 Decision Not To Reconstruct.**

If all of the damaged or destroyed portions of the Condominium are not repaired or replaced: (i) the insurance proceeds attributable to the damaged Common Elements shall be used to restore the damaged area to a condition compatible with the remainder of the Condominium; (ii) the insurance proceeds

attributable to Units and Limited Common Elements which are not rebuilt shall be distributed to the Owners of those Units and the Owners of the Units to which those Limited Common Elements were allocated, or to lienholders, as their interests may appear; and (iii) the remainder of the proceeds shall be distributed to all the Unit Owners or lienholders, as their interest may appear, in proportion to the Common Element interests of all the Units. If the Unit Owners vote not to rebuild any Unit, that Unit's allocated interests are automatically reallocated upon the vote as if the Unit had been condemned under RCW 64.34.060(1), and the Association promptly shall prepare, execute, and record an amendment to the Declaration reflecting the reallocations. Notwithstanding the provisions of this Subsection, RCW 64.34.268 governs the distribution of insurance proceeds if the Condominium is terminated.

#### 11.8.3 Manner of Reconstruction.

If destroyed or damaged property is to be reconstructed or repaired, the reconstruction or repair thereof shall be accomplished as nearly as practicable to the character of the building or improvement existing immediately prior to such casualty. Any reconstruction or repair shall be done in accordance with then prevailing Building Code requirements and may be accomplished with contemporary building materials, utilizing updated construction systems and technology if appropriate.

#### 11.8.4 Payment of and Procedure for Reconstruction.

The proceeds of insurance collected on account of casualty, and funds received by the Board of Directors from collections of Assessments against Unit Owners on account of such casualty, shall constitute a construction fund which shall be disbursed in payment of the costs of reconstruction and repair in the following manner:

(a) If the damages exist only to parts of an Unit for which the responsibility of maintenance and repair is borne by the Unit Owner, then the Owner shall be responsible for reconstruction and repair after casualty and shall be entitled, with the assistance of the Board of Directors, to apply for and use any applicable insurance proceeds. In such instances, the Association shall not be required to pay any of the insurance deductible. In all other instances the responsibility of reconstruction and repair after casualty shall be that of the Board of Directors.

(b) If the amount of the estimated costs of reconstruction and repair is \$100,000 or less, (as estimated by the Board of Directors) then the construction fund shall be disbursed in payment of such costs upon order of the Board of Directors, provided, however, that upon request of a Mortgagee which is a beneficiary of an insurance policy, the proceeds of which are included in the construction fund, such fund shall be disbursed in the manner provided in Subsection (iii) hereof;

(c) If the estimated costs of reconstruction and repair of the buildings or other improvement is more than \$100,000, then costs and expenses so incurred from the construction fund shall be disbursed from time to time as the work progresses upon approval by an engineer or architect (hereinafter referred to as the "Reconstruction Supervisor") licensed to practice in the State of Washington and employed by the Board of Directors to supervise such work. The Reconstruction Supervisor shall be required to furnish a certificate giving a brief description of the services rendered and materials furnished by various contractors, subcontractors, materialmen, the Reconstruction Supervisor, or other persons who have rendered services or furnished materials in connection with the work, and stating that: (a) the sums requested by them in payment are justly due and owing and that said sums do not exceed the value of the services and materials furnished; (b) there is no other outstanding indebtedness known to the Reconstruction Supervisor for the

services and materials described; and (c) the cost as estimated by the Reconstruction Supervisor for the work remaining to be done subsequent to the date of such certificate, does not exceed the amount of the construction fund remaining after payment of the sum so requested.

11.9 Assessments if Insurance is Inadequate.

Immediately after a casualty causing damage to property for which the Board of Directors has the responsibility of maintenance and repair, the Board shall obtain reliable and detailed estimates of the cost to replace the damaged property in as good a condition as it was before the casualty. Such costs may include professional fees and premiums for such bonds as the Board desires or as may be required. If the proceeds of insurance, coupled with any available reserve funds and/or any payments from Owners under Section 11.3.2 hereof, are not sufficient to defray such estimated costs, the Board shall present to the Owners a Budget containing a Special Assessment to be made against all the Units as provided in Section 10.7 of the Declaration, in sufficient amounts to provide funds to pay the shortfall. If at any time during reconstruction and repair, or upon completion of reconstruction or repair, the funds for payment of the costs thereof are insufficient, the Board shall present a further Budget containing a Special Assessment, in sufficient amounts to provide funds for the payment of such costs.

11.10 Notice to Mortgagees.

The Board of Directors shall give written notice to: (a) an Eligible Mortgagee of the Unit whenever damage to the Unit covered by the mortgage exceeds \$10,000; and (b) all Eligible Mortgagees whenever damage to the Common Elements exceeds \$100,000.

11.11 Miscellaneous.

The provisions of this Article XI shall constitute the procedure by which a determination is made by the Unit Owners to repair, restore, reconstruct or rebuild the Condominium following casualty thereto. The purpose of this Article XI shall be to provide a fair and equitable method of allocating the costs of repair and restoration and making a determination for repair and restoration if all or a portion of the improvements are damaged or destroyed. The provisions of this Article XI shall be liberally construed to accomplish such purpose.

EXCEPT as modified by this Amendment, all of the terms and provisions of the Declaration are hereby expressly ratified and confirmed and shall remain in full force and effect.

IN WITNESS WHEREOF, the Association has caused this Amendment to be executed as of the date first written above.

VILLAGE AT CORDATA, NORTHSIDE,  
CONDOMINIUM ASSOCIATION, a Washington  
Nonprofit Corporation

By:   
CARLOS MOLINA, its: President



STATE OF WASHINGTON    )  
                                          ) ss.  
COUNTY OF WHATCOM    )

I certify that I know or have satisfactory evidence that CARLOS MOLINA is the person who appeared before me and said person acknowledged that (s)he signed this **SIXTH AMENDMENT TO DECLARATION FOR VILLAGE AT CORDATA, NORTHSIDE, A CONDOMINIUM**, on oath stated that (s)he was authorized to execute the instrument and acknowledged it as the President of the Owners Association of the Condominium, to be free and voluntary act of such party for the uses and purposes mentioned in this instrument.

DATED: March 30<sup>th</sup>, 2009.



*L. Graham*

Notary Public in and for the State  
of Washington, residing at 4251 Guider Meadows  
My Commission expires: May 10, 2011 B-HAM WA 90270